



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB3266

Introduced 2/17/2023, by Rep. Jay Hoffman

SYNOPSIS AS INTRODUCED:

40 ILCS 5/1-160
40 ILCS 5/14-152.1

Amends the General Provisions and State Employee Articles of the Illinois Pension Code. Provides that for a Tier 2 State policeman for all purposes under the Code, including, without limitation, the calculation of benefits and employee contributions, the annual earnings, salary, or wages based on the plan year of a State policeman shall not exceed the amount determined by the Social Security Administration to be the Old-Age, Survivors and Disability Insurance Contribution and Benefit Base (instead of \$106,800, as annually adjusted). Provides that any benefit increase that results from the amendatory Act is excluded from the definition of "new benefit increase". Effective immediately.

LRB103 28897 RPS 55283 b

1 AN ACT concerning public employee benefits.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Pension Code is amended by
5 changing Sections 1-160 and 14-152.1 as follows:

6 (40 ILCS 5/1-160)

7 (Text of Section from P.A. 102-719)

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

9 (a) The provisions of this Section apply to a person who,
10 on or after January 1, 2011, first becomes a member or a
11 participant under any reciprocal retirement system or pension
12 fund established under this Code, other than a retirement
13 system or pension fund established under Article 2, 3, 4, 5, 6,
14 7, 15, or 18 of this Code, notwithstanding any other provision
15 of this Code to the contrary, but do not apply to any
16 self-managed plan established under this Code or to any
17 participant of the retirement plan established under Section
18 22-101; except that this Section applies to a person who
19 elected to establish alternative credits by electing in
20 writing after January 1, 2011, but before August 8, 2011,
21 under Section 7-145.1 of this Code. Notwithstanding anything
22 to the contrary in this Section, for purposes of this Section,
23 a person who is a Tier 1 regular employee as defined in Section

1 7-109.4 of this Code or who participated in a retirement
2 system under Article 15 prior to January 1, 2011 shall be
3 deemed a person who first became a member or participant prior
4 to January 1, 2011 under any retirement system or pension fund
5 subject to this Section. The changes made to this Section by
6 Public Act 98-596 are a clarification of existing law and are
7 intended to be retroactive to January 1, 2011 (the effective
8 date of Public Act 96-889), notwithstanding the provisions of
9 Section 1-103.1 of this Code.

10 This Section does not apply to a person who first becomes a
11 noncovered employee under Article 14 on or after the
12 implementation date of the plan created under Section 1-161
13 for that Article, unless that person elects under subsection
14 (b) of Section 1-161 to instead receive the benefits provided
15 under this Section and the applicable provisions of that
16 Article.

17 This Section does not apply to a person who first becomes a
18 member or participant under Article 16 on or after the
19 implementation date of the plan created under Section 1-161
20 for that Article, unless that person elects under subsection
21 (b) of Section 1-161 to instead receive the benefits provided
22 under this Section and the applicable provisions of that
23 Article.

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

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

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

21 (1) (Blank).

22 (2) In Articles 8, 9, 10, 11, and 12, "highest average
23 annual salary for any 4 consecutive years within the last
24 10 years of service immediately preceding the date of
25 withdrawal".

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

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

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

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

5 A member of the Teachers' Retirement System of the State
6 of Illinois who retires on or after June 1, 2021 and for whom
7 the 2020-2021 school year is used in the calculation of the
8 member's final average salary shall use the higher of the
9 following for the purpose of determining the member's final
10 average salary:

11 (A) the amount otherwise calculated under the first
12 paragraph of this subsection; or

13 (B) an amount calculated by the Teachers' Retirement
14 System of the State of Illinois using the average of the
15 monthly (or annual) salary obtained by dividing the total
16 salary or earnings calculated under Article 16 applicable
17 to the member or participant during the 96 months (or 8
18 years) of service within the last 120 months (or 10 years)
19 of service in which the total salary or earnings
20 calculated under the Article was the highest by the number
21 of months (or years) of service in that period.

22 (b-5) Except as provided under subsection (b-10),
23 beginning ~~Beginning~~ on January 1, 2011, for all purposes under
24 this Code (including without limitation the calculation of
25 benefits and employee contributions), the annual earnings,
26 salary, or wages (based on the plan year) of a member or

1 participant to whom this Section applies shall not exceed
2 \$106,800; however, that amount shall annually thereafter be
3 increased by the lesser of (i) 3% of that amount, including all
4 previous adjustments, or (ii) one-half the annual unadjusted
5 percentage increase (but not less than zero) in the consumer
6 price index-u for the 12 months ending with the September
7 preceding each November 1, including all previous adjustments.

8 For the purposes of this Section, "consumer price index-u"
9 means the index published by the Bureau of Labor Statistics of
10 the United States Department of Labor that measures the
11 average change in prices of goods and services purchased by
12 all urban consumers, United States city average, all items,
13 1982-84 = 100. The new amount resulting from each annual
14 adjustment shall be determined by the Public Pension Division
15 of the Department of Insurance and made available to the
16 boards of the retirement systems and pension funds by November
17 1 of each year.

18 (b-10) Beginning on the effective date of this amendatory
19 Act of the 103rd General Assembly, for a State policeman to
20 whom this Section applies and for all purposes under this Code
21 (including, without limitation, the calculation of benefits
22 and employee contributions), the annual earnings, salary, or
23 wages (based on the plan year) of a State policeman shall not
24 exceed the amount determined by the Social Security
25 Administration to be the Old-Age, Survivors and Disability
26 Insurance Contribution and Benefit Base.

1 (c) A member or participant is entitled to a retirement
2 annuity upon written application if he or she has attained age
3 67 (age 65, with respect to service under Article 12 that is
4 subject to this Section, for a member or participant under
5 Article 12 who first becomes a member or participant under
6 Article 12 on or after January 1, 2022 or who makes the
7 election under item (i) of subsection (d-15) of 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 (age 60,
11 with respect to service under Article 12 that is subject to
12 this Section, for a member or participant under Article 12 who
13 first becomes a member or participant under Article 12 on or
14 after January 1, 2022 or who makes the election under item (i)
15 of subsection (d-15) of this Section) and has at least 10 years
16 of service credit and is otherwise eligible under the
17 requirements of the applicable Article may elect to receive
18 the lower retirement annuity provided in subsection (d) of
19 this Section.

20 (c-5) A person who first becomes a member or a participant
21 subject to this Section on or after July 6, 2017 (the effective
22 date of Public Act 100-23), notwithstanding any other
23 provision of this Code to the contrary, is entitled to a
24 retirement annuity under Article 8 or Article 11 upon written
25 application if he or she has attained age 65 and has at least
26 10 years of service credit and is otherwise eligible under the

1 requirements of Article 8 or Article 11 of this Code,
2 whichever is applicable.

3 (d) The retirement annuity of a member or participant who
4 is retiring after attaining age 62 (age 60, with respect to
5 service under Article 12 that is subject to this Section, for a
6 member or participant under Article 12 who first becomes a
7 member or participant under Article 12 on or after January 1,
8 2022 or who makes the election under item (i) of subsection
9 (d-15) of this Section) with at least 10 years of service
10 credit shall be reduced by one-half of 1% for each full month
11 that the member's age is under age 67 (age 65, with respect to
12 service under Article 12 that is subject to this Section, for a
13 member or participant under Article 12 who first becomes a
14 member or participant under Article 12 on or after January 1,
15 2022 or who makes the election under item (i) of subsection
16 (d-15) of this Section).

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

22 (d-10) Each person who first became a member or
23 participant under Article 8 or Article 11 of this Code on or
24 after January 1, 2011 and prior to July 6, 2017 (the effective
25 date of Public Act 100-23) shall make an irrevocable election
26 either:

1 (i) to be eligible for the reduced retirement age
2 provided in subsections (c-5) and (d-5) of this Section,
3 the eligibility for which is conditioned upon the member
4 or participant agreeing to the increases in employee
5 contributions for age and service annuities provided in
6 subsection (a-5) of Section 8-174 of this Code (for
7 service under Article 8) or subsection (a-5) of Section
8 11-170 of this Code (for service under Article 11); or

9 (ii) to not agree to item (i) of this subsection
10 (d-10), in which case the member or participant shall
11 continue to be subject to the retirement age provisions in
12 subsections (c) and (d) of this Section and the employee
13 contributions for age and service annuity as provided in
14 subsection (a) of Section 8-174 of this Code (for service
15 under Article 8) or subsection (a) of Section 11-170 of
16 this Code (for service under Article 11).

17 The election provided for in this subsection shall be made
18 between October 1, 2017 and November 15, 2017. A person
19 subject to this subsection who makes the required election
20 shall remain bound by that election. A person subject to this
21 subsection who fails for any reason to make the required
22 election within the time specified in this subsection shall be
23 deemed to have made the election under item (ii).

24 (d-15) Each person who first becomes a member or
25 participant under Article 12 on or after January 1, 2011 and
26 prior to January 1, 2022 shall make an irrevocable election

1 either:

2 (i) to be eligible for the reduced retirement age
3 specified in subsections (c) and (d) of this Section, the
4 eligibility for which is conditioned upon the member or
5 participant agreeing to the increase in employee
6 contributions for service annuities specified in
7 subsection (b) of Section 12-150; or

8 (ii) to not agree to item (i) of this subsection
9 (d-15), in which case the member or participant shall not
10 be eligible for the reduced retirement age specified in
11 subsections (c) and (d) of this Section and shall not be
12 subject to the increase in employee contributions for
13 service annuities specified in subsection (b) of Section
14 12-150.

15 The election provided for in this subsection shall be made
16 between January 1, 2022 and April 1, 2022. A person subject to
17 this subsection who makes the required election shall remain
18 bound by that election. A person subject to this subsection
19 who fails for any reason to make the required election within
20 the time specified in this subsection shall be deemed to have
21 made the election under item (ii).

22 (e) Any retirement annuity or supplemental annuity shall
23 be subject to annual increases on the January 1 occurring
24 either on or after the attainment of age 67 (age 65, with
25 respect to service under Article 12 that is subject to this
26 Section, for a member or participant under Article 12 who

1 first becomes a member or participant under Article 12 on or
2 after January 1, 2022 or who makes the election under item (i)
3 of subsection (d-15); and beginning on July 6, 2017 (the
4 effective date of Public Act 100-23), age 65 with respect to
5 service under Article 8 or Article 11 for eligible persons
6 who: (i) are subject to subsection (c-5) of this Section; or
7 (ii) made the election under item (i) of subsection (d-10) of
8 this Section) or the first anniversary of the annuity start
9 date, whichever is later. Each annual increase shall be
10 calculated at 3% or one-half the annual unadjusted percentage
11 increase (but not less than zero) in the consumer price
12 index-u for the 12 months ending with the September preceding
13 each November 1, whichever is less, of the originally granted
14 retirement annuity. If the annual unadjusted percentage change
15 in the consumer price index-u for the 12 months ending with the
16 September preceding each November 1 is zero or there is a
17 decrease, then the annuity shall not be increased.

18 For the purposes of Section 1-103.1 of this Code, the
19 changes made to this Section by Public Act 102-263 are
20 applicable without regard to whether the employee was in
21 active service on or after August 6, 2021 (the effective date
22 of Public Act 102-263).

23 For the purposes of Section 1-103.1 of this Code, the
24 changes made to this Section by Public Act 100-23 are
25 applicable without regard to whether the employee was in
26 active service on or after July 6, 2017 (the effective date of

1 Public Act 100-23).

2 (f) The initial survivor's or widow's annuity of an
3 otherwise eligible survivor or widow of a retired member or
4 participant who first became a member or participant on or
5 after January 1, 2011 shall be in the amount of 66 2/3% of the
6 retired member's or participant's retirement annuity at the
7 date of death. In the case of the death of a member or
8 participant who has not retired and who first became a member
9 or participant on or after January 1, 2011, eligibility for a
10 survivor's or widow's annuity shall be determined by the
11 applicable Article of this Code. The initial benefit shall be
12 66 2/3% of the earned annuity without a reduction due to age. A
13 child's annuity of an otherwise eligible child shall be in the
14 amount prescribed under each Article if applicable. Any
15 survivor's or widow's annuity shall be increased (1) on each
16 January 1 occurring on or after the commencement of the
17 annuity if the deceased member died while receiving a
18 retirement annuity or (2) in other cases, on each January 1
19 occurring after the first anniversary of the commencement of
20 the annuity. Each annual increase shall be calculated at 3% or
21 one-half the annual unadjusted percentage increase (but not
22 less than zero) in the consumer price index-u for the 12 months
23 ending with the September preceding each November 1, whichever
24 is less, of the originally granted survivor's annuity. If the
25 annual unadjusted percentage change in the consumer price
26 index-u for the 12 months ending with the September preceding

1 each November 1 is zero or there is a decrease, then the
2 annuity shall not be increased.

3 (g) The benefits in Section 14-110 apply if the person is a
4 fire fighter in the fire protection service of a department, a
5 security employee of the Department of Corrections or the
6 Department of Juvenile Justice, or a security employee of the
7 Department of Innovation and Technology, as those terms are
8 defined in subsection (b) and subsection (c) of Section
9 14-110. A person who meets the requirements of this Section is
10 entitled to an annuity calculated under the provisions of
11 Section 14-110, in lieu of the regular or minimum retirement
12 annuity, only if the person has withdrawn from service with
13 not less than 20 years of eligible creditable service and has
14 attained age 60, regardless of whether the attainment of age
15 60 occurs while the person is still in service.

16 (g-5) The benefits in Section 14-110 apply if the person
17 is a State policeman, investigator for the Secretary of State,
18 conservation police officer, investigator for the Department
19 of Revenue or the Illinois Gaming Board, investigator for the
20 Office of the Attorney General, Commerce Commission police
21 officer, or arson investigator, as those terms are defined in
22 subsection (b) and subsection (c) of Section 14-110. A person
23 who meets the requirements of this Section is entitled to an
24 annuity calculated under the provisions of Section 14-110, in
25 lieu of the regular or minimum retirement annuity, only if the
26 person has withdrawn from service with not less than 20 years

1 of eligible creditable service and has attained age 55,
2 regardless of whether the attainment of age 55 occurs while
3 the person is still in service.

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

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

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

11 (i) (Blank).

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

15 (Source: P.A. 101-610, eff. 1-1-20; 102-16, eff. 6-17-21;
16 102-210, eff. 1-1-22; 102-263, eff. 8-6-21; 102-719, eff.
17 5-6-22.)

18 (Text of Section from P.A. 102-813)

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

20 (a) The provisions of this Section apply to a person who,
21 on or after January 1, 2011, first becomes a member or a
22 participant under any reciprocal retirement system or pension
23 fund established under this Code, other than a retirement
24 system or pension fund established under Article 2, 3, 4, 5, 6,
25 7, 15, or 18 of this Code, notwithstanding any other provision

1 of this Code to the contrary, but do not apply to any
2 self-managed plan established under this Code or to any
3 participant of the retirement plan established under Section
4 22-101; except that this Section applies to a person who
5 elected to establish alternative credits by electing in
6 writing after January 1, 2011, but before August 8, 2011,
7 under Section 7-145.1 of this Code. Notwithstanding anything
8 to the contrary in this Section, for purposes of this Section,
9 a person who is a Tier 1 regular employee as defined in Section
10 7-109.4 of this Code or who participated in a retirement
11 system under Article 15 prior to January 1, 2011 shall be
12 deemed a person who first became a member or participant prior
13 to January 1, 2011 under any retirement system or pension fund
14 subject to this Section. The changes made to this Section by
15 Public Act 98-596 are a clarification of existing law and are
16 intended to be retroactive to January 1, 2011 (the effective
17 date of Public Act 96-889), notwithstanding the provisions of
18 Section 1-103.1 of this Code.

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

26 This Section does not apply to a person who first becomes a

1 member or participant under Article 16 on or after the
2 implementation date of the plan created under Section 1-161
3 for that Article, unless that person elects under subsection
4 (b) of Section 1-161 to instead receive the benefits provided
5 under this Section and the applicable provisions of that
6 Article.

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

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

17 (b) "Final average salary" means, except as otherwise
18 provided in this subsection, the average monthly (or annual)
19 salary obtained by dividing the total salary or earnings
20 calculated under the Article applicable to the member or
21 participant during the 96 consecutive months (or 8 consecutive
22 years) of service within the last 120 months (or 10 years) of
23 service in which the total salary or earnings calculated under
24 the applicable Article was the highest by the number of months
25 (or years) of service in that period. For the purposes of a
26 person who first becomes a member or participant of any

1 retirement system or pension fund to which this Section
2 applies on or after January 1, 2011, in this Code, "final
3 average salary" shall be substituted for the following:

4 (1) (Blank).

5 (2) In Articles 8, 9, 10, 11, and 12, "highest average
6 annual salary for any 4 consecutive years within the last
7 10 years of service immediately preceding the date of
8 withdrawal".

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

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

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

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

14 A member of the Teachers' Retirement System of the State
15 of Illinois who retires on or after June 1, 2021 and for whom
16 the 2020-2021 school year is used in the calculation of the
17 member's final average salary shall use the higher of the
18 following for the purpose of determining the member's final
19 average salary:

20 (A) the amount otherwise calculated under the first
21 paragraph of this subsection; or

22 (B) an amount calculated by the Teachers' Retirement
23 System of the State of Illinois using the average of the
24 monthly (or annual) salary obtained by dividing the total
25 salary or earnings calculated under Article 16 applicable
26 to the member or participant during the 96 months (or 8

1 years) of service within the last 120 months (or 10 years)
2 of service in which the total salary or earnings
3 calculated under the Article was the highest by the number
4 of months (or years) of service in that period.

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

17 For the purposes of this Section, "consumer price index-u"
18 means the index published by the Bureau of Labor Statistics of
19 the United States Department of Labor that measures the
20 average change in prices of goods and services purchased by
21 all urban consumers, United States city average, all items,
22 1982-84 = 100. The new amount resulting from each annual
23 adjustment shall be determined by the Public Pension Division
24 of the Department of Insurance and made available to the
25 boards of the retirement systems and pension funds by November
26 1 of each year.

1 (b-10) Beginning on the effective date of this amendatory
2 Act of the 103rd General Assembly, for a State policeman to
3 whom this Section applies and for all purposes under this Code
4 (including, without limitation, the calculation of benefits
5 and employee contributions), the annual earnings, salary, or
6 wages (based on the plan year) of a State policeman shall not
7 exceed the amount determined by the Social Security
8 Administration to be the Old-Age, Survivors and Disability
9 Insurance Contribution and Benefit Base.

10 (c) A member or participant is entitled to a retirement
11 annuity upon written application if he or she has attained age
12 67 (age 65, with respect to service under Article 12 that is
13 subject to this Section, for a member or participant under
14 Article 12 who first becomes a member or participant under
15 Article 12 on or after January 1, 2022 or who makes the
16 election under item (i) of subsection (d-15) of this Section)
17 and has at least 10 years of service credit and is otherwise
18 eligible under the requirements of the applicable Article.

19 A member or participant who has attained age 62 (age 60,
20 with respect to service under Article 12 that is subject to
21 this Section, for a member or participant under Article 12 who
22 first becomes a member or participant under Article 12 on or
23 after January 1, 2022 or who makes the election under item (i)
24 of subsection (d-15) of this Section) and has at least 10 years
25 of service credit and is otherwise eligible under the
26 requirements of the applicable Article may elect to receive

1 the lower retirement annuity provided in subsection (d) of
2 this Section.

3 (c-5) A person who first becomes a member or a participant
4 subject to this Section on or after July 6, 2017 (the effective
5 date of Public Act 100-23), notwithstanding any other
6 provision of this Code to the contrary, is entitled to a
7 retirement annuity under Article 8 or Article 11 upon written
8 application if he or she has attained age 65 and has at least
9 10 years of service credit and is otherwise eligible under the
10 requirements of Article 8 or Article 11 of this Code,
11 whichever is applicable.

12 (d) The retirement annuity of a member or participant who
13 is retiring after attaining age 62 (age 60, with respect to
14 service under Article 12 that is subject to this Section, for a
15 member or participant under Article 12 who first becomes a
16 member or participant under Article 12 on or after January 1,
17 2022 or who makes the election under item (i) of subsection
18 (d-15) of this Section) with at least 10 years of service
19 credit shall be reduced by one-half of 1% for each full month
20 that the member's age is under age 67 (age 65, with respect to
21 service under Article 12 that is subject to this Section, for a
22 member or participant under Article 12 who first becomes a
23 member or participant under Article 12 on or after January 1,
24 2022 or who makes the election under item (i) of subsection
25 (d-15) of this Section).

26 (d-5) The retirement annuity payable under Article 8 or

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

5 (d-10) Each person who first became a member or
6 participant under Article 8 or Article 11 of this Code on or
7 after January 1, 2011 and prior to July 6, 2017 (the effective
8 date of Public Act 100-23) shall make an irrevocable election
9 either:

10 (i) to be eligible for the reduced retirement age
11 provided in subsections (c-5) and (d-5) of this Section,
12 the eligibility for which is conditioned upon the member
13 or participant agreeing to the increases in employee
14 contributions for age and service annuities provided in
15 subsection (a-5) of Section 8-174 of this Code (for
16 service under Article 8) or subsection (a-5) of Section
17 11-170 of this Code (for service under Article 11); or

18 (ii) to not agree to item (i) of this subsection
19 (d-10), in which case the member or participant shall
20 continue to be subject to the retirement age provisions in
21 subsections (c) and (d) of this Section and the employee
22 contributions for age and service annuity as provided in
23 subsection (a) of Section 8-174 of this Code (for service
24 under Article 8) or subsection (a) of Section 11-170 of
25 this Code (for service under Article 11).

26 The election provided for in this subsection shall be made

1 between October 1, 2017 and November 15, 2017. A person
2 subject to this subsection who makes the required election
3 shall remain bound by that election. A person subject to this
4 subsection who fails for any reason to make the required
5 election within the time specified in this subsection shall be
6 deemed to have made the election under item (ii).

7 (d-15) Each person who first becomes a member or
8 participant under Article 12 on or after January 1, 2011 and
9 prior to January 1, 2022 shall make an irrevocable election
10 either:

11 (i) to be eligible for the reduced retirement age
12 specified in subsections (c) and (d) of this Section, the
13 eligibility for which is conditioned upon the member or
14 participant agreeing to the increase in employee
15 contributions for service annuities specified in
16 subsection (b) of Section 12-150; or

17 (ii) to not agree to item (i) of this subsection
18 (d-15), in which case the member or participant shall not
19 be eligible for the reduced retirement age specified in
20 subsections (c) and (d) of this Section and shall not be
21 subject to the increase in employee contributions for
22 service annuities specified in subsection (b) of Section
23 12-150.

24 The election provided for in this subsection shall be made
25 between January 1, 2022 and April 1, 2022. A person subject to
26 this subsection who makes the required election shall remain

1 bound by that election. A person subject to this subsection
2 who fails for any reason to make the required election within
3 the time specified in this subsection shall be deemed to have
4 made the election under item (ii).

5 (e) Any retirement annuity or supplemental annuity shall
6 be subject to annual increases on the January 1 occurring
7 either on or after the attainment of age 67 (age 65, with
8 respect to service under Article 12 that is subject to this
9 Section, for a member or participant under Article 12 who
10 first becomes a member or participant under Article 12 on or
11 after January 1, 2022 or who makes the election under item (i)
12 of subsection (d-15); and beginning on July 6, 2017 (the
13 effective date of Public Act 100-23), age 65 with respect to
14 service under Article 8 or Article 11 for eligible persons
15 who: (i) are subject to subsection (c-5) of this Section; or
16 (ii) made the election under item (i) of subsection (d-10) of
17 this Section) or the first anniversary of the annuity start
18 date, whichever is later. Each annual increase shall be
19 calculated at 3% or one-half the annual unadjusted percentage
20 increase (but not less than zero) in the consumer price
21 index-u for the 12 months ending with the September preceding
22 each November 1, whichever is less, of the originally granted
23 retirement annuity. If the annual unadjusted percentage change
24 in the consumer price index-u for the 12 months ending with the
25 September preceding each November 1 is zero or there is a
26 decrease, then the annuity shall not be increased.

1 For the purposes of Section 1-103.1 of this Code, the
2 changes made to this Section by Public Act 102-263 are
3 applicable without regard to whether the employee was in
4 active service on or after August 6, 2021 (the effective date
5 of Public Act 102-263).

6 For the purposes of Section 1-103.1 of this Code, the
7 changes made to this Section by Public Act 100-23 are
8 applicable without regard to whether the employee was in
9 active service on or after July 6, 2017 (the effective date of
10 Public Act 100-23).

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

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

12 (g) The benefits in Section 14-110 apply only if the
13 person is a State policeman, a fire fighter in the fire
14 protection service of a department, a conservation police
15 officer, an investigator for the Secretary of State, an arson
16 investigator, a Commerce Commission police officer,
17 investigator for the Department of Revenue or the Illinois
18 Gaming Board, a security employee of the Department of
19 Corrections or the Department of Juvenile Justice, or a
20 security employee of the Department of Innovation and
21 Technology, as those terms are defined in subsection (b) and
22 subsection (c) of Section 14-110. A person who meets the
23 requirements of this Section is entitled to an annuity
24 calculated under the provisions of Section 14-110, in lieu of
25 the regular or minimum retirement annuity, only if the person
26 has withdrawn from service with not less than 20 years of

1 eligible creditable service and has attained age 60,
2 regardless of whether the attainment of age 60 occurs while
3 the person is still in service.

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

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

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

11 (i) (Blank).

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

15 (Source: P.A. 101-610, eff. 1-1-20; 102-16, eff. 6-17-21;
16 102-210, eff. 1-1-22; 102-263, eff. 8-6-21; 102-813, eff.
17 5-13-22.)

18 (Text of Section from P.A. 102-956)

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

20 (a) The provisions of this Section apply to a person who,
21 on or after January 1, 2011, first becomes a member or a
22 participant under any reciprocal retirement system or pension
23 fund established under this Code, other than a retirement
24 system or pension fund established under Article 2, 3, 4, 5, 6,
25 7, 15, or 18 of this Code, notwithstanding any other provision

1 of this Code to the contrary, but do not apply to any
2 self-managed plan established under this Code or to any
3 participant of the retirement plan established under Section
4 22-101; except that this Section applies to a person who
5 elected to establish alternative credits by electing in
6 writing after January 1, 2011, but before August 8, 2011,
7 under Section 7-145.1 of this Code. Notwithstanding anything
8 to the contrary in this Section, for purposes of this Section,
9 a person who is a Tier 1 regular employee as defined in Section
10 7-109.4 of this Code or who participated in a retirement
11 system under Article 15 prior to January 1, 2011 shall be
12 deemed a person who first became a member or participant prior
13 to January 1, 2011 under any retirement system or pension fund
14 subject to this Section. The changes made to this Section by
15 Public Act 98-596 are a clarification of existing law and are
16 intended to be retroactive to January 1, 2011 (the effective
17 date of Public Act 96-889), notwithstanding the provisions of
18 Section 1-103.1 of this Code.

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

26 This Section does not apply to a person who first becomes a

1 member or participant under Article 16 on or after the
2 implementation date of the plan created under Section 1-161
3 for that Article, unless that person elects under subsection
4 (b) of Section 1-161 to instead receive the benefits provided
5 under this Section and the applicable provisions of that
6 Article.

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

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

17 (b) "Final average salary" means, except as otherwise
18 provided in this subsection, the average monthly (or annual)
19 salary obtained by dividing the total salary or earnings
20 calculated under the Article applicable to the member or
21 participant during the 96 consecutive months (or 8 consecutive
22 years) of service within the last 120 months (or 10 years) of
23 service in which the total salary or earnings calculated under
24 the applicable Article was the highest by the number of months
25 (or years) of service in that period. For the purposes of a
26 person who first becomes a member or participant of any

1 retirement system or pension fund to which this Section
2 applies on or after January 1, 2011, in this Code, "final
3 average salary" shall be substituted for the following:

4 (1) (Blank).

5 (2) In Articles 8, 9, 10, 11, and 12, "highest average
6 annual salary for any 4 consecutive years within the last
7 10 years of service immediately preceding the date of
8 withdrawal".

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

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

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

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

14 A member of the Teachers' Retirement System of the State
15 of Illinois who retires on or after June 1, 2021 and for whom
16 the 2020-2021 school year is used in the calculation of the
17 member's final average salary shall use the higher of the
18 following for the purpose of determining the member's final
19 average salary:

20 (A) the amount otherwise calculated under the first
21 paragraph of this subsection; or

22 (B) an amount calculated by the Teachers' Retirement
23 System of the State of Illinois using the average of the
24 monthly (or annual) salary obtained by dividing the total
25 salary or earnings calculated under Article 16 applicable
26 to the member or participant during the 96 months (or 8

1 years) of service within the last 120 months (or 10 years)
2 of service in which the total salary or earnings
3 calculated under the Article was the highest by the number
4 of months (or years) of service in that period.

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

17 For the purposes of this Section, "consumer price index-u"
18 means the index published by the Bureau of Labor Statistics of
19 the United States Department of Labor that measures the
20 average change in prices of goods and services purchased by
21 all urban consumers, United States city average, all items,
22 1982-84 = 100. The new amount resulting from each annual
23 adjustment shall be determined by the Public Pension Division
24 of the Department of Insurance and made available to the
25 boards of the retirement systems and pension funds by November
26 1 of each year.

1 (b-10) Beginning on the effective date of this amendatory
2 Act of the 103rd General Assembly, for a State policeman to
3 whom this Section applies and for all purposes under this Code
4 (including, without limitation, the calculation of benefits
5 and employee contributions), the annual earnings, salary, or
6 wages (based on the plan year) of a State policeman shall not
7 exceed the amount determined by the Social Security
8 Administration to be the Old-Age, Survivors and Disability
9 Insurance Contribution and Benefit Base.

10 (c) A member or participant is entitled to a retirement
11 annuity upon written application if he or she has attained age
12 67 (age 65, with respect to service under Article 12 that is
13 subject to this Section, for a member or participant under
14 Article 12 who first becomes a member or participant under
15 Article 12 on or after January 1, 2022 or who makes the
16 election under item (i) of subsection (d-15) of this Section)
17 and has at least 10 years of service credit and is otherwise
18 eligible under the requirements of the applicable Article.

19 A member or participant who has attained age 62 (age 60,
20 with respect to service under Article 12 that is subject to
21 this Section, for a member or participant under Article 12 who
22 first becomes a member or participant under Article 12 on or
23 after January 1, 2022 or who makes the election under item (i)
24 of subsection (d-15) of this Section) and has at least 10 years
25 of service credit and is otherwise eligible under the
26 requirements of the applicable Article may elect to receive

1 the lower retirement annuity provided in subsection (d) of
2 this Section.

3 (c-5) A person who first becomes a member or a participant
4 subject to this Section on or after July 6, 2017 (the effective
5 date of Public Act 100-23), notwithstanding any other
6 provision of this Code to the contrary, is entitled to a
7 retirement annuity under Article 8 or Article 11 upon written
8 application if he or she has attained age 65 and has at least
9 10 years of service credit and is otherwise eligible under the
10 requirements of Article 8 or Article 11 of this Code,
11 whichever is applicable.

12 (d) The retirement annuity of a member or participant who
13 is retiring after attaining age 62 (age 60, with respect to
14 service under Article 12 that is subject to this Section, for a
15 member or participant under Article 12 who first becomes a
16 member or participant under Article 12 on or after January 1,
17 2022 or who makes the election under item (i) of subsection
18 (d-15) of this Section) with at least 10 years of service
19 credit shall be reduced by one-half of 1% for each full month
20 that the member's age is under age 67 (age 65, with respect to
21 service under Article 12 that is subject to this Section, for a
22 member or participant under Article 12 who first becomes a
23 member or participant under Article 12 on or after January 1,
24 2022 or who makes the election under item (i) of subsection
25 (d-15) of this Section).

26 (d-5) The retirement annuity payable under Article 8 or

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

5 (d-10) Each person who first became a member or
6 participant under Article 8 or Article 11 of this Code on or
7 after January 1, 2011 and prior to July 6, 2017 (the effective
8 date of Public Act 100-23) shall make an irrevocable election
9 either:

10 (i) to be eligible for the reduced retirement age
11 provided in subsections (c-5) and (d-5) of this Section,
12 the eligibility for which is conditioned upon the member
13 or participant agreeing to the increases in employee
14 contributions for age and service annuities provided in
15 subsection (a-5) of Section 8-174 of this Code (for
16 service under Article 8) or subsection (a-5) of Section
17 11-170 of this Code (for service under Article 11); or

18 (ii) to not agree to item (i) of this subsection
19 (d-10), in which case the member or participant shall
20 continue to be subject to the retirement age provisions in
21 subsections (c) and (d) of this Section and the employee
22 contributions for age and service annuity as provided in
23 subsection (a) of Section 8-174 of this Code (for service
24 under Article 8) or subsection (a) of Section 11-170 of
25 this Code (for service under Article 11).

26 The election provided for in this subsection shall be made

1 between October 1, 2017 and November 15, 2017. A person
2 subject to this subsection who makes the required election
3 shall remain bound by that election. A person subject to this
4 subsection who fails for any reason to make the required
5 election within the time specified in this subsection shall be
6 deemed to have made the election under item (ii).

7 (d-15) Each person who first becomes a member or
8 participant under Article 12 on or after January 1, 2011 and
9 prior to January 1, 2022 shall make an irrevocable election
10 either:

11 (i) to be eligible for the reduced retirement age
12 specified in subsections (c) and (d) of this Section, the
13 eligibility for which is conditioned upon the member or
14 participant agreeing to the increase in employee
15 contributions for service annuities specified in
16 subsection (b) of Section 12-150; or

17 (ii) to not agree to item (i) of this subsection
18 (d-15), in which case the member or participant shall not
19 be eligible for the reduced retirement age specified in
20 subsections (c) and (d) of this Section and shall not be
21 subject to the increase in employee contributions for
22 service annuities specified in subsection (b) of Section
23 12-150.

24 The election provided for in this subsection shall be made
25 between January 1, 2022 and April 1, 2022. A person subject to
26 this subsection who makes the required election shall remain

1 bound by that election. A person subject to this subsection
2 who fails for any reason to make the required election within
3 the time specified in this subsection shall be deemed to have
4 made the election under item (ii).

5 (e) Any retirement annuity or supplemental annuity shall
6 be subject to annual increases on the January 1 occurring
7 either on or after the attainment of age 67 (age 65, with
8 respect to service under Article 12 that is subject to this
9 Section, for a member or participant under Article 12 who
10 first becomes a member or participant under Article 12 on or
11 after January 1, 2022 or who makes the election under item (i)
12 of subsection (d-15); and beginning on July 6, 2017 (the
13 effective date of Public Act 100-23), age 65 with respect to
14 service under Article 8 or Article 11 for eligible persons
15 who: (i) are subject to subsection (c-5) of this Section; or
16 (ii) made the election under item (i) of subsection (d-10) of
17 this Section) or the first anniversary of the annuity start
18 date, whichever is later. Each annual increase shall be
19 calculated at 3% or one-half the annual unadjusted percentage
20 increase (but not less than zero) in the consumer price
21 index-u for the 12 months ending with the September preceding
22 each November 1, whichever is less, of the originally granted
23 retirement annuity. If the annual unadjusted percentage change
24 in the consumer price index-u for the 12 months ending with the
25 September preceding each November 1 is zero or there is a
26 decrease, then the annuity shall not be increased.

1 For the purposes of Section 1-103.1 of this Code, the
2 changes made to this Section by Public Act 102-263 are
3 applicable without regard to whether the employee was in
4 active service on or after August 6, 2021 (the effective date
5 of Public Act 102-263).

6 For the purposes of Section 1-103.1 of this Code, the
7 changes made to this Section by Public Act 100-23 are
8 applicable without regard to whether the employee was in
9 active service on or after July 6, 2017 (the effective date of
10 Public Act 100-23).

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

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

12 (g) The benefits in Section 14-110 apply only if the
13 person is a State policeman, a fire fighter in the fire
14 protection service of a department, a conservation police
15 officer, an investigator for the Secretary of State, an
16 investigator for the Office of the Attorney General, an arson
17 investigator, a Commerce Commission police officer,
18 investigator for the Department of Revenue or the Illinois
19 Gaming Board, a security employee of the Department of
20 Corrections or the Department of Juvenile Justice, or a
21 security employee of the Department of Innovation and
22 Technology, as those terms are defined in subsection (b) and
23 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,
3 regardless of whether the attainment of age 60 occurs while
4 the person is 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
10 by 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
25 that person's annuity or retirement pension earned as an
26 active 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. 101-610, eff. 1-1-20; 102-16, eff. 6-17-21;
17 102-210, eff. 1-1-22; 102-263, eff. 8-6-21; 102-956, eff.
18 5-27-22.)

19 (40 ILCS 5/14-152.1)

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

22 (a) As used in this Section, "new benefit increase" means
23 an increase in the amount of any benefit provided under this
24 Article, or an expansion of the conditions of eligibility for
25 any benefit under this Article, that results from an amendment

1 to this Code that takes effect after June 1, 2005 (the
2 effective date of Public Act 94-4). "New benefit increase",
3 however, does not include any benefit increase resulting from
4 the changes made to Article 1 or this Article by Public Act
5 96-37, Public Act 100-23, Public Act 100-587, Public Act
6 100-611, Public Act 101-10, Public Act 101-610, Public Act
7 102-210, Public Act 102-856, Public Act 102-956, or this
8 amendatory Act of the 103rd General Assembly ~~this amendatory~~
9 ~~Act of the 102nd General Assembly.~~

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

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

19 Every new benefit increase is contingent upon the General
20 Assembly providing the additional funding required under this
21 subsection. The Commission on Government Forecasting and
22 Accountability shall analyze whether adequate additional
23 funding has been provided for the new benefit increase and
24 shall report its analysis to the Public Pension Division of
25 the Department of Insurance. A new benefit increase created by
26 a Public Act that does not include the additional funding

1 required under this subsection is null and void. If the Public
2 Pension Division determines that the additional funding
3 provided for a new benefit increase under this subsection is
4 or has become inadequate, it may so certify to the Governor and
5 the State Comptroller and, in the absence of corrective action
6 by the General Assembly, the new benefit increase shall expire
7 at the end of the fiscal year in which the certification is
8 made.

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

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

25 (Source: P.A. 101-10, eff. 6-5-19; 101-81, eff. 7-12-19;
26 101-610, eff. 1-1-20; 102-210, eff. 7-30-21; 102-856, eff.

1 1-1-23; 102-956, eff. 5-27-22.)

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