

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 Section 11-159 and by adding Sections 11-159.1 and  
6 14-126.5 as follows:

7 (40 ILCS 5/11-159) (from Ch. 108 1/2, par. 11-159)

8 Sec. 11-159. Annuity after withdrawal while disabled for  
9 employees who first became participants prior to January 1,  
10 2011.

11 (a) This Section applies to employees who first became  
12 participants prior to January 1, 2011.

13 (b) An employee whose disability continues after the  
14 employee ~~he~~ has received ordinary disability benefits ~~benefit~~  
15 for the maximum period of time prescribed by this Article~~7~~ and  
16 ~~who~~ withdraws before age 60 while still so disabled~~7~~ is  
17 entitled to receive an annuity in ~~of~~ such amount as can be  
18 provided from the total sum accumulated to the employee's ~~his~~  
19 credit from employee contributions and employer ~~city~~  
20 contributions, to be computed as of the employee's ~~his~~ age on  
21 the date of withdrawal. If the minimum annuity under Section  
22 11-134 applies and is greater than the annuity under this  
23 subsection (b), then the Section 11-134 annuity shall apply.

1 Any annuity under this subsection (b) shall be subject to  
2 automatic annual increases under Section 11-134.1.

3 (c) The annuity to which the employee's spouse ~~his wife~~  
4 shall be entitled upon the employee's ~~his~~ death, shall be  
5 fixed on the date of the employee's ~~his~~ withdrawal. It shall be  
6 provided on a reversionary annuity basis from the total sum  
7 accumulated to the employee's ~~his~~ credit for widow's annuity  
8 on the date of such withdrawal. If the minimum annuity under  
9 Section 11-145.1 applies and is greater than the annuity under  
10 this subsection (c), then the Section 11-145.1 annuity shall  
11 apply. Any widow's annuity shall not be subject to any  
12 automatic annual increases.

13 (d) Upon the death of any such employee while on annuity,  
14 if the employee's ~~his~~ service was at least 4 years after the  
15 date of the employee's ~~his~~ original entry, and at least 2 years  
16 after the date of the employee's ~~his~~ latest re-entry, the  
17 employee's ~~his~~ unmarried ~~child or~~ children under age 18 shall  
18 be entitled to an annuity as specified in this Article for  
19 children of an employee who retires after age 55, subject to  
20 prescribed limitations on total payments to a family of an  
21 employee.

22 (Source: P.A. 81-1536.)

23 (40 ILCS 5/11-159.1 new)

24 Sec. 11-159.1. Annuity after withdrawal while disabled for  
25 employees who first became participants on or after January 1,

1 2011.

2 (a) This Section applies to employees who first became  
3 participants on or after January 1, 2011.

4 (b) An employee whose disability continues after the  
5 employee has received ordinary disability benefits for the  
6 maximum period of time prescribed by this Article and who  
7 withdraws before becoming eligible for a retirement annuity  
8 under subsection (c), (c-5), (d), or (d-5) of Section 1-160  
9 while still so disabled is entitled to receive an annuity in  
10 such amount as can be provided from the total sum accumulated  
11 to the employee's credit from employee contributions and  
12 employer contributions, to be computed as of the employee's  
13 age on the date of withdrawal. The minimum annuity under  
14 Section 11-134 shall not apply, and any annuity under this  
15 subsection (b) shall not be subject to any automatic annual  
16 increases.

17 (c) The annuity to which the employee's spouse shall be  
18 entitled upon the employee's death shall be fixed on the date  
19 of the employee's withdrawal. It shall be provided on a  
20 reversionary annuity basis from the total sum accumulated to  
21 the employee's credit for widow's annuity on the date of such  
22 withdrawal. The minimum annuity under Section 11-145.1 shall  
23 not apply and any widow's annuity under this subsection (c)  
24 shall not be subject to any automatic annual increases.

25 (d) Upon the death of any such employee while on annuity,  
26 if the employee's service was at least 4 years after the date

1 of the employee's original entry, and at least 2 years after  
2 the date of the employee's latest re-entry, the employee's  
3 unmarried children under age 18 shall be entitled to an  
4 annuity as specified in this Article for children of an  
5 employee who retires after age 55, subject to prescribed  
6 limitations on total payments to a family of an employee.

7 (40 ILCS 5/14-126.5 new)

8 Sec. 14-126.5. Retirement annuity option for termination  
9 of ordinary disability benefit. A member who is subject to the  
10 provisions of Section 1-160 whose disability continues but  
11 whose disability benefit is either terminated due to attaining  
12 age 65 or terminated after 5 years because the ordinary  
13 disability benefit commenced after age 60 shall immediately  
14 qualify to begin receiving a retirement annuity without the  
15 reduction provided under subsection (d) of Section 1-160 if  
16 the member has earned at least 10 years of creditable service.

17 Section 90. The State Mandates Act is amended by adding  
18 Section 8.47 as follows:

19 (30 ILCS 805/8.47 new)

20 Sec. 8.47. Exempt mandate. Notwithstanding Sections 6 and  
21 8 of this Act, no reimbursement by the State is required for  
22 the implementation of any mandate created by this amendatory  
23 Act of the 103rd General Assembly.

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