

1 AN ACT in relation to 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 17-119.1 as follows:

6 (40 ILCS 5/17-119.1)

7 Sec. 17-119.1. Optional increase in retirement annuity.

8 (a) Beginning on the effective date of this amendatory
9 Act of the 93rd General Assembly, a member of the Fund shall
10 may qualify for the augmented rate under subdivision (b)(3)
11 of Section 17-116 for all years of creditable service earned
12 before July 1, 1998 without by making any the optional
13 contribution. Any such contribution already paid under this
14 Section shall be refunded by the Fund to the teacher or
15 pensioner (or, if deceased, to the teacher or pensioner's
16 survivor, beneficiary, or estate), together with interest at
17 the rate of 5%, compounded annually, from the date of payment
18 of the contribution to the date of refund; except that any
19 such contribution that has been paid by an employer under
20 subsection (e) shall be refunded to the employer. specified
21 ~~in-subsection-(b)-except-that-a-member--who--retires--on--or~~
22 ~~after--July--17--1998--with--at--least-30-years-of-creditable~~
23 ~~service--at--retirement--qualifies--for--the--augmented--rate~~
24 ~~without-making-any-contribution-under-subsection-(b)-~~

25 Any member who retires on or after July 1, 1998 and
26 before the effective date of this amendatory Act of the 93rd
27 92nd General Assembly and whose pension was calculated using
28 an unaugmented rate may elect to have the pension
29 recalculated using the applicable augmented rate and to with
30 ~~at--least-30-years-of-creditable-service-shall~~ be paid a lump
31 sum equal to the amount he or she would have received under

1 the augmented rate minus the amount he or she actually
2 received prior to the effective date of the recalculation.

3 The changes to this Section made by this amendatory Act
4 of the 93rd General Assembly apply without regard to whether
5 the member was in service on or after its effective date and
6 notwithstanding Section 17-157.

7 A--member--may--not--elect--to--qualify--for--the--augmented--rate
8 for--only--a--portion--of--his--or--her--creditable--service--earned
9 before--July--17--1998.

10 (b) (Blank). The--contribution--shall--be--an--amount--equal
11 to--1.0%--of--the--member's--highest--salary--rate--in--the--4
12 consecutive--school--years--immediately--prior--to--but--not
13 including--the--school--year--in--which--the--application--occurs,
14 multiplied--by--the--number--of--years--of--creditable--service
15 earned--by--the--member--before--July--17--1998--or--207--whichever--is
16 less.---This--contribution--shall--be--reduced--by--1.0%--of--that
17 salary--rate--for--every--3--full--years--of--creditable--service
18 earned--by--the--member--after--June--307--1998.--The--contribution
19 shall--be--further--reduced--at--the--rate--of--25%--of--the
20 contribution--(as--reduced--for--service--after--June--307--1998)--for
21 each--year--of--the--member's--total--creditable--service--in--excess
22 of--34--years.--The--contribution--shall--not--in--any--event--exceed
23 20%--of--that--salary--rate.

24 The--member--shall--pay--to--the--Fund--the--amount--of--the
25 contribution--as--calculated--at--the--time--of--application--under
26 this--Section.---The--amount--of--the--contribution--determined
27 under--this--subsection--shall--be--recalculated--at--the--time--of
28 retirement7--and--if--the--Fund--determines--that--the--amount--paid
29 by--the--member--exceeds--the--recalculated--amount7--the--Fund--shall
30 refund--the--difference--to--the--member--with--regular--interest
31 from--the--date--of--payment--to--the--date--of--refund.

32 The--contribution--required--by--this--subsection--shall--be
33 paid--in--one--of--the--following--ways--or--in--a--combination--of--the
34 following--ways--that--does--not--extend--over--more--than--5--years:

1 (i) in a lump sum on or before the date of
2 retirement;

3 (ii) in substantially equal installments over a
4 period of time not to exceed 5 years, as a deduction from
5 salary in accordance with Section 17-130.2;

6 (iii) in substantially equal monthly installments
7 over a 24-month period, by a deduction from the
8 annuitant's monthly benefit.

9 (c) (Blank). If the member fails to make the full
10 contribution under this Section in a timely fashion, the
11 payments made under this Section shall be refunded to the
12 member, without interest. If the member (including a member
13 who has become an annuitant) dies before making the full
14 contribution, the payments made under this Section shall be
15 refunded to the member's designated beneficiary if there is
16 no survivor's or children's pension benefit payable. If
17 there is a survivor's or children's benefit payable, then all
18 payments made under this Section shall be retained by the
19 Fund and all such survivor's or children's benefits payable
20 shall be calculated as if all contributions required under
21 this Section have been paid in full.

22 (d) (Blank). For purposes of this Section and subsection
23 (b) of Section 17-116, optional creditable service
24 established by a member shall be deemed to have been earned
25 at the time of the employment or other qualifying event upon
26 which the service is based, rather than at the time the
27 credit was established in this Fund.

28 (e) (Blank). The contributions required under this
29 Section are the responsibility of the teacher and not the
30 teacher's employer. However, an employer of teachers may,
31 after the effective date of this amendatory Act of 1998,
32 specifically agree, through collective bargaining or
33 otherwise, to make the contributions required by this Section
34 on behalf of those teachers.

1 (Source: P.A. 91-17, eff. 6-4-99; 92-416, eff. 8-17-01;
2 92-599, eff. 6-28-02; 92-651, eff. 7-11-02.)

3 Section 90. The State Mandates Act is amended by adding
4 Section 8.27 as follows:

5 (30 ILCS 805/8.27 new)

6 Sec. 8.27. Exempt mandate. Notwithstanding Sections 6
7 and 8 of this Act, no reimbursement by the State is required
8 for the implementation of any mandate created by this
9 amendatory Act of the 93rd General Assembly.

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