

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 Sections 5-132 and 5-148 as follows:

6 (40 ILCS 5/5-132) (from Ch. 108 1/2, par. 5-132)
7 Sec. 5-132. Minimum annuity.

8 (A) Any policeman who withdraws on or after July 8,
9 1957, or any policeman transferred to the police service of
10 the city under the Exchange of Functions Act of 1957 who
11 withdraws on or after July 17, 1959, after completing at
12 least 20 years of service, for whom the annuity otherwise
13 provided in this Article is less than that stated in this
14 Section, has a right to receive annuity as follows:

15 (a) If he is age 55 or more on withdrawal, his
16 annuity after such withdrawal, shall be equal to 2% of
17 the average salary for ~~4~~ consecutive years of highest
18 salaries within the last 10 years of service before
19 withdrawal, for each year of service, together with 1/6
20 of 1% of such average salary for each complete month of
21 service of each fractional year, but not in excess of 75%
22 of the average annual salary.

23 (b) If he is age 50 or more but less than age 55 on
24 withdrawal, his annuity shall be equal to 2% of the
25 average salary for ~~the 4 highest consecutive years of the~~
26 ~~last 10 years of service~~ for each year of service,
27 together with 1/16 of 1% of such average salary for each
28 month of each fractional year of service, reduced by 1/2
29 of 1% for each month that he is less than age 55.

30 (c) If he is less than age 50 on withdrawal, he
31 may, upon attainment of age 50 or over, become entitled

1 to the annuity provided in this Section or, he may, upon
2 application before age 50, receive a refund of the
3 deductions from salary, plus interest at 1 1/2% per annum
4 if he is entitled to refund under Section 5-163.

5 (d) In lieu of the annuity provided in the
6 foregoing provisions of this Section 5-132 any policeman
7 who withdraws from the service after December 31, 1973,
8 after having attained age 53 in the service with 23 or
9 more years of service credit shall be entitled to an
10 annuity computed as follows if such annuity is greater
11 than that provided in the foregoing paragraphs of this
12 Section 5-132: An annuity equal to 50% of the average
13 salary ~~for the 4 highest consecutive years of the last 10~~
14 ~~years of service~~ plus additional annuity equal to 2% of
15 such average salary for each completed year of service or
16 fraction thereof rendered after his attainment of age 53
17 and the completion of 23 years of service.

18 Any policeman who has completed 23 years of service
19 prior to his attainment of age 53 in the service and
20 continues in the service until his attainment of age 53
21 shall have added to his annuity, computed as provided in
22 the immediately preceding paragraph, an additional
23 annuity equal to 1% of such average salary for each
24 completed year of service or fraction thereof in excess
25 of 23 years up to age 53.

26 (e) In lieu of the annuity provided in the
27 foregoing provisions of this Section, any policeman who
28 withdraws from the service either (i) after December 31,
29 1983 with at least 22 years of service credit and having
30 attained age 52 in the service, or (ii) after December
31 31, 1984 with at least 21 years of service credit and
32 having attained age 51 in the service, or (iii) after
33 December 31, 1985 with at least 20 years of service
34 credit and having attained age 50 in the service, or (iv)

1 after December 31, 1990, with at least 20 years of
2 service credit regardless of age, shall be entitled to an
3 annuity to begin not earlier than upon attainment of age
4 50 if under such age at withdrawal, computed as follows:
5 an annuity equal to 50% of the average salary for--the--4
6 highest--consecutive--years--of--the--last--10--years--of
7 service, plus additional annuity equal to 2% of such
8 average salary for each completed year of service or
9 fraction thereof rendered after his completion of the
10 minimum number of years of service required for him to be
11 eligible under this subsection (e). However, the annuity
12 provided under this subsection (e) may not exceed 75% of
13 such average salary.

14 (f) In lieu of the annuity provided in the
15 foregoing provisions of this Section, a policeman who
16 withdraws from service after the effective date of this
17 amendatory Act of the 93rd General Assembly with at least
18 20 years of service credit may elect to receive an
19 annuity, to begin not earlier than upon attainment of age
20 50 if under that age at withdrawal, equal to 50% of
21 average salary plus 2.5% of average salary for each
22 completed year of service or fraction thereof in excess
23 of 20, but not to exceed a maximum of 80% of average
24 salary.

25 (B) A policeman withdrawing after September 1, 1969,
26 may, in addition, be entitled to the benefits provided by
27 Section 5-167.1 of this Article if he so qualifies under that
28 Section.

29 (C) If, on withdrawal, total service is less than 20
30 years, the policeman shall not be entitled to an annuity
31 under this Section but may receive an annuity under the other
32 provisions of this Article or, if entitled thereto under
33 Section 5-163, a refund of the deductions from salary,
34 including, in the case of policemen transferred to the police

1 service of the city under the Exchange of Functions Act of
2 1957, the additional contribution paid on salary received
3 from August 1, 1957, to July 17, 1959, as provided in the
4 Park Policemen's Annuity Act, together with interest at 1
5 1/2% per annum.

6 Moneys voluntarily contributed under the Policemen's
7 Annuity and Benefit Fund Act of the Illinois Municipal Code,
8 or the Park Policemen's Annuity Act, shall be refunded to the
9 contributing policemen who were in service on January 1,
10 1954, or in the case of policemen transferred to the police
11 service of the city under the Exchange of Functions Act of
12 1957, who were in service on July 17, 1959.

13 The age and service annuity formula in this Section shall
14 not apply to any policeman who, having retired before July 8,
15 1957, or before July 17, 1959, in the case of a policeman
16 transferred under the provisions of the Exchange of Functions
17 Act of 1957, re-enters the police service after such dates,
18 whichever are applicable.

19 (D) For the purpose of this Section and Section 5-148,
20 "average salary" means the average of the highest 4
21 consecutive years of salary within the last 10 years of
22 service.

23 (Source: P.A. 86-1488.)

24 (40 ILCS 5/5-148) (from Ch. 108 1/2, par. 5-148)

25 Sec. 5-148. Maximum annuities. No annuity in excess of
26 75% of the highest salary considered for annuity purposes in
27 accordance with this Article (80% of average salary in the
28 case of a policeman whose annuity is calculated under
29 subdivision (A)(f) of Section 5-132) shall be payable to a
30 policeman, or to the widow of a policeman whose death results
31 from injury incurred in the performance of an act of duty.
32 No amount of annuity in excess of \$500 per month shall be
33 payable to the widow of a policeman whose death results from

1 any cause other than injury incurred in the performance of an
2 act of duty, except as provided in Section 5-136.1.

3 If, when a policeman's annuity is fixed, there is to his
4 credit, for such annuity, an amount in excess of that
5 necessary to provide an annuity of 75% of his highest salary
6 (80% of average salary in the case of a policeman whose
7 annuity is calculated under subdivision (A)(f) of Section
8 5-132), 7/24 of such excess shall be refunded if the
9 policeman is a future entrant; and if he is a present
10 employee, there shall be refunded, a part of such excess
11 amount proportionately equal to that part of the entire
12 amount to his credit for such annuity purposes, which the sum
13 that has resulted from salary deductions bears to such entire
14 amount.

15 Until January 1, 1986, if, when a widow's annuity is
16 fixed, there is to the policeman's credit, for widow's
17 annuity, an amount in excess of that necessary to provide an
18 annuity of \$500 per month, 1/3 of such excess shall be
19 refunded to the policeman if he is a future entrant; and, if
20 he is a present employee, there shall be refunded a part of
21 such excess amount proportionately equal to that part of the
22 entire amount to his credit for such annuity purposes which
23 the sum that has resulted from employee contributions bears
24 to such entire amount. If the widow's annuity is fixed on or
25 after January 1, 1986, no refund of excess contributions
26 shall be made under this paragraph.

27 Until January 1, 1986, if at the time of the death of a
28 policeman resulting from injury incurred in the performance
29 of an act of duty, there is to his credit, for widow's
30 annuity, an amount in excess of that necessary to provide an
31 annuity of 75% of his highest salary, or \$500 per month if
32 death results from any other cause, 1/3 of such excess shall
33 be refunded to his widow if he was a future entrant; and, if
34 he was a present employee, there shall be refunded to his

1 widow a part of such excess amount proportionately equal to
2 that part of the entire amount to his credit for such annuity
3 purposes which the sum that has resulted from employee's
4 contributions bears to such entire amount. If employee dies
5 in service on or after January 1, 1986, no refund of excess
6 contributions shall be made under this paragraph.

7 This amendatory Act of 1972 does not increase the amount
8 of any widow's annuity which is fixed before the effective
9 date of this amendatory Act of 1972.

10 (Source: P.A. 84-1104.)

11 Section 90. The State Mandates Act is amended by adding
12 Section 8.27 as follows:

13 (30 ILCS 805/8.27 new)

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

18 Section 99. Effective date. This Act takes effect upon
19 becoming law.