

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 4. The Illinois Pension Code is amended by
5 changing Sections 3-111.1 and 3-116.1 as follows:

6 (40 ILCS 5/3-111.1) (from Ch. 108 1/2, par. 3-111.1)

7 Sec. 3-111.1. Increase in pension.

8 (a) Except as provided in subsection (e), the monthly
9 pension of a police officer who retires after July 1, 1971,
10 and prior to January 1, 1986, shall be increased, upon either
11 the first of the month following the first anniversary of the
12 date of retirement if the officer is 60 years of age or over
13 at retirement date, or upon the first day of the month
14 following attainment of age 60 if it occurs after the first
15 anniversary of retirement, by 3% of the originally granted
16 pension and by an additional 3% of the originally granted
17 pension in January of each year thereafter.

18 (b) The monthly pension of a police officer who retired
19 from service with 20 or more years of service, on or before
20 July 1, 1971, shall be increased in January of the year
21 following the year of attaining age 65 or in January of 1972,
22 if then over age 65, by 3% of the originally granted pension
23 for each year the police officer received pension payments.
24 In each January thereafter, he or she shall receive an
25 additional increase of 3% of the original pension.

26 (c) The monthly pension of a police officer who retires
27 on ~~disability~~ or is retired for disability, other than a
28 disability incurred in the line of duty, shall be increased
29 in January of the year following the year of attaining age
30 60, by 3% of the original grant of pension for each year he
31 or she received pension payments. In each January

1 thereafter, the police officer shall receive an additional
2 increase of 3% of the original pension.

3 The monthly pension of a police officer who retires on or
4 is retired for disability incurred in the line of duty shall
5 be increased on the first day of the month following the
6 month in which he or she attains age 55, by 3% of the
7 original grant of pension for each year he or she received
8 pension payments. In each January thereafter, the police
9 officer shall receive an additional increase of 3% of the
10 original pension. The changes to this subsection made by
11 this amendatory Act of the 93rd General Assembly are not
12 limited to persons in active service on or after the
13 effective date of this amendatory Act, but they do not apply
14 to any person who received an initial increase under this
15 subsection (c) before that effective date.

16 (d) The monthly pension of a police officer who retires
17 after January 1, 1986, shall be increased, upon either the
18 first of the month following the first anniversary of the
19 date of retirement if the officer is 55 years of age or over,
20 or upon the first day of the month following attainment of
21 age 55 if it occurs after the first anniversary of
22 retirement, by 1/12 of 3% of the originally granted pension
23 for each full month that has elapsed since the pension began,
24 and by an additional 3% of the originally granted pension in
25 January of each year thereafter.

26 The changes made to this subsection (d) by this
27 amendatory Act of the 91st General Assembly apply to all
28 initial increases that become payable under this subsection
29 on or after January 1, 1999. All initial increases that
30 became payable under this subsection on or after January 1,
31 1999 and before the effective date of this amendatory Act
32 shall be recalculated and the additional amount accruing for
33 that period, if any, shall be payable to the pensioner in a
34 lump sum.

1 (e) Notwithstanding the provisions of subsection (a),
2 upon the first day of the month following (1) the first
3 anniversary of the date of retirement, or (2) the attainment
4 of age 55, or (3) July 1, 1987, whichever occurs latest, the
5 monthly pension of a police officer who retired on or after
6 January 1, 1977 and on or before January 1, 1986, and did not
7 receive an increase under subsection (a) before July 1, 1987,
8 shall be increased by 3% of the originally granted monthly
9 pension for each full year that has elapsed since the pension
10 began, and by an additional 3% of the originally granted
11 pension in each January thereafter. The increases provided
12 under this subsection are in lieu of the increases provided
13 in subsection (a).

14 (f) Notwithstanding the other provisions of this
15 Section, beginning with increases granted on or after July 1,
16 1993, the second and all subsequent automatic annual
17 increases granted under subsection (a), (b), (d), or (e) of
18 this Section shall be calculated as 3% of the amount of
19 pension payable at the time of the increase, including any
20 increases previously granted under this Section, rather than
21 3% of the originally granted pension amount. Section 1-103.1
22 does not apply to this subsection (f).

23 (Source: P.A. 91-939, eff. 2-1-01.)

24 (40 ILCS 5/3-116.1) (from Ch. 108 1/2, par. 3-116.1)

25 Sec. 3-116.1. Disability pension option.

26 (a) A police officer age 50 or older who is receiving a
27 disability pension may by written application to the board,
28 elect the disability pension option if the period during
29 which a disability pension was paid when added to the period
30 of active service equals at least 20 years. The election
31 shall permit the officer to continue to receive a retirement
32 pension for the remainder of his or her life of 1/2 of the
33 salary at the date of the retirement on disability in lieu of

1 any amounts which would have been payable to the officer
2 under Section 3-111.

3 (b) A police officer age 50 or older who is receiving a
4 disability pension under Section 3-114.1 may, by written
5 application to the board, elect to convert his or her
6 disability pension into a retirement pension. The retirement
7 pension shall be based on the salary attached, at the time of
8 conversion, to the highest rank held by the police officer,
9 and the period during which a disability pension was paid
10 under Section 3-114.1 shall be included as creditable
11 service. The retirement annuity shall be subject to
12 increases under Section 3-111.1 in the same manner as
13 retirement pensions granted under Section 3-111.

14 This subsection (b) is not limited to persons in active
15 service on or after the effective date of this amendatory Act
16 of the 93rd General Assembly.

17 (c) A pension elected under this Section is in lieu of
18 any pension otherwise payable under Section 3-111.

19 (Source: P.A. 83-1440.)

20 Section 90. The State Mandates Act is amended by adding
21 Section 8.27 as follows:

22 (30 ILCS 805/8.27 new)

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

27 Section 99. Effective date. This Act takes effect upon
28 becoming law.