

Rep. Robert S. Molaro

## Filed: 5/16/2007

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1	AMENDMENT TO HOUSE BILL 1697
2	AMENDMENT NO Amend House Bill 1697 by replacing
3	everything after the enacting clause with the following:
4	"Section 5. The Illinois Pension Code is amended by
5	changing Sections 14-119, 14-121, 14-130, and 14-133 and by
6	adding Section 14-152.2 as follows:
7	(40 ILCS 5/14-119) (from Ch. 108 1/2, par. 14-119)
8	Sec. 14-119. Amount of widow's annuity.
9	(a) The widow's annuity shall be 50% of the amount of
10	retirement annuity payable to the member on the date of death
11	while on retirement if an annuitant, or on the date of his
12	death while in service if an employee, regardless of his age on
13	such date, or on the date of withdrawal if death occurred after
14	termination of service under the conditions prescribed in the
15	preceding Section.
16	(b) If an eligible widow, regardless of age, has in her

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care any unmarried child or children of the member under age 18 (under age 22 if a full-time student), the widow's annuity shall be increased in the amount of 5% of the retirement annuity for each such child, but the combined payments for a widow and children shall not exceed 66 2/3% of the member's earned retirement annuity.

7 The amount of retirement annuity from which the widow's 8 annuity is derived shall be that earned by the member without 9 regard to whether he attained age 60 prior to his withdrawal 10 under the conditions stated or prior to his death.

(c) Adopted children shall be considered as children of the member only if the proceedings for adoption were commenced at least 1 year prior to the member's death.

Marriage of a child shall render the child ineligible for further consideration in the increase in the amount of the widow's annuity.

Attainment of age 18 (age 22 if a full-time student) shall render a child ineligible for further consideration in the increase of the widow's annuity, but the annuity to the widow shall be continued thereafter, without regard to her age at that time.

(d) Except as otherwise provided in this subsection (d) and Section 14-152.2, a widow's annuity payable on account of any covered employee who has shall have been a covered employee for at least 18 months shall be reduced by 1/2 of the amount of survivors benefits to which his beneficiaries are eligible 09500HB1697ham002 -3- LRB095 07041 AMC 36267 a

1 under the provisions of the Federal Social Security Act, except 2 that (1) the amount of any widow's annuity payable under this Article shall not be reduced by reason of any increase under 3 4 that Act which occurs after the offset required by this 5 subsection is first applied to that annuity, and (2) for 6 benefits granted on or after January 1, 1992, the offset under this subsection (d) shall not exceed 50% of the amount of 7 8 widow's annuity otherwise payable.

9 Beginning on July 1, 2008 (and except as otherwise provided 10 in Section 14-152.2), the offset under this subsection (d) 11 shall no longer be applied to a widow's annuity of any person 12 receiving retirement benefits or a widow's annuity on the 13 effective date of this amendatory Act of the 95th General 14 Assembly.

15 Except as otherwise provided in Section 14-152.2, an active 16 member of the System first employed before January 1, 2008 must file an election to have the offset under this subsection (d) 17 applied to his or her widow's annuity with the System on or 18 before March 1, 2008. If no election is made by the employee, 19 20 then the employee must begin making the additional 0.6% 21 contribution required under Section 14-133 and, if he or she elects to do so by September 1, 2008, may elect to make the 22 contributions for any prior service. Once the member has made 23 24 an election or failed to make the election to have the offset 25 applied to his or her widow's annuity within the specified period, the member must maintain that status until a qualifying 26

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1	event occurs. Upon the occurrence of a qualifying event, (i) if
2	the member's widow's annuity is subject to the offset, the
3	member may elect to remove the offset and begin to make
4	contributions for any service after that date and, within 60
5	days after that date, make contributions for any prior service
6	without interest or (ii) if the member's widow's annuity is not
7	subject to the offset, the member may elect to have the offset
8	applied to his or her widow's annuity and cease making the
9	contributions, but shall receive no refund for the
10	contributions.
11	Except as otherwise provided in Section 14-152.2, unless an
12	active member of the System first employed on or after January
13	1, 2008 files an election to have the offset under this
14	subsection (d) applied to his or her widow's annuity with the
15	System during his or her qualifying period, he or she shall
16	begin making the 1.1% contribution required under 14-133. After
17	the qualifying period, the member must maintain his or her
18	offset status until a qualifying event occurs. Upon the
19	occurrence of a qualifying event, (i) if the member's widow's
20	annuity is subject to the offset, the member may elect to
21	remove the offset and begin to make contributions for any
22	service after that date and, within 60 days after that date,
23	make contributions for any prior service without interest or
24	(ii) if the member's widow's annuity is not subject to the
25	offset, the member may elect to have the offset applied to his
26	or her widow's annuity and cease making the contributions, but

- 1 shall receive no refund for the contributions. If a member has a qualifying spouse at the time of 2 retirement and has made the additional contributions pursuant 3 4 to Section 14-133 to remove the offset under this subsection 5 (d) for all of his or her creditable service, then the offset under this subsection (d) does not apply to the member's 6 widow's benefit. If a member has a qualifying spouse at the 7 time of retirement and has made the additional contributions 8 9 pursuant to Section 14-133 to remove the offset under this 10 subsection (d) for a portion of his or her creditable service, then the member may either (A) receive a refund of the 11 additional contributions made and have the offset under this 12 13 subsection (d) apply to the member's widow's annuity or (B) 14 make the required contributions for any period for which he or 15 she has not contributed, plus interest. If a member does not 16 have a qualifying spouse at the time of retirement, then the member may receive a refund of the additional contributions 17 made pursuant to Section 14-133 to remove the offset under this 18 19 subsection (d). 20 For the purposes of this subsection (d), "qualifying event"
  - 21 <u>includes a change in marital status (including the death of a</u> 22 <u>spouse) or the adoption or birth of a child.</u>

(e) Upon the death of a recipient of a widow's annuity the excess, if any, of the member's accumulated contributions plus credited interest over all annuity payments to the member and widow, exclusive of the \$500 lump sum payment, shall be paid to the named beneficiary of the widow, or if none has been named, to the estate of the widow, provided no reversionary annuity is payable.

4 (f) On January 1, 1981, any recipient of a widow's annuity 5 who was receiving a widow's annuity on or before January 1, 1971, shall have her widow's annuity then being paid increased 6 by 1% for each full year which has elapsed from the date the 7 widow's annuity began. On January 1, 1982, any recipient of a 8 9 widow's annuity who began receiving a widow's annuity after 10 January 1, 1971, but before January 1, 1981, shall have her 11 widow's annuity then being paid increased by 1% for each full year which has elapsed from the date the widow's annuity began. 12 13 On January 1, 1987, any recipient of a widow's annuity who began receiving the widow's annuity on or before January 1, 14 15 1977, shall have the monthly widow's annuity increased by \$1 16 for each full year which has elapsed since the date the annuity 17 began.

(g) Beginning January 1, 1990, every widow's annuity shall 18 be increased (1) on each January 1 occurring on or after the 19 20 commencement of the annuity if the deceased member died while receiving a retirement annuity, or (2) in other cases, on each 21 January 1 occurring on or after the first anniversary of the 22 23 commencement of the annuity, by an amount equal to 3% of the 24 current amount of the annuity, including any previous increases 25 under this Article. Such increases shall apply without regard 26 to whether the deceased member was in service on or after the 09500HB1697ham002 -7- LRB095 07041 AMC 36267 a

effective date of Public Act 86-1488, but shall not accrue for
 any period prior to January 1, 1990.

3 (Source: P.A. 90-448, eff. 8-16-97.)

4 (40 ILCS 5/14-121) (from Ch. 108 1/2, par. 14-121)

5 Sec. 14-121. Amount of survivors annuity. A survivors 6 annuity beneficiary shall be entitled upon death of the member 7 to a single sum payment of \$1,000, payable pro rata among all 8 persons entitled thereto, together with a survivors annuity 9 payable at the rates and under the conditions specified in this 10 Article.

(a) If the survivors annuity beneficiary is a spouse, the
survivors annuity shall be 30% of final average compensation
subject to a maximum payment of \$400 per month.

14 (b) If an eligible child or children under the care of a 15 spouse also survives the member, such spouse as natural quardian of the child or children shall receive, in addition to 16 17 the foregoing annuity, 20% of final average compensation on 18 of each such child and 10% of account final average 19 compensation divided pro rata among such children, subject to a 20 maximum payment account of all survivor annuitv on 21 beneficiaries of \$600 per month, or 80% of the member's final 22 average compensation, whichever is the lesser.

(c) If the survivors annuity beneficiary or beneficiaries
 consists of an unmarried child or children, the amount of
 survivors annuity shall be 20% of final average compensation to

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each child, and 10% of final average compensation divided pro rata among all such children entitled to such annuity, subject to a maximum payment to all children combined of \$600 per month or 80% of the member's final average compensation, whichever is the lesser.

6 (d) If the survivors annuity beneficiary is one or more 7 dependent parents, the annuity shall be 20% of final average 8 compensation to each parent and 10% of final average 9 compensation divided pro rata among the parents who qualify for 10 this annuity, subject to a maximum payment to both dependent 11 parents of \$400 per month.

The survivors annuity to the spouse, children or 12 (e) 13 dependent parents of a member whose death occurs after the date 14 of last withdrawal, or after retirement, or while in service 15 following reentry into service after retirement but before 16 completing 1 1/2 years of additional creditable service, shall not exceed the lesser of 80% of the member's earned retirement 17 annuity at the date of death or the maximum previously 18 established in this Section. 19

20 (f) In applying the limitation prescribed on the combined 21 payments to 2 or more survivors annuity beneficiaries, the 22 annuity on account of each beneficiary shall be reduced pro 23 rata until such time as the number of beneficiaries makes the 24 reduction no longer applicable.

(g) Except as otherwise provided in this subsection (g) and
 Section 14-152.2, a survivors annuity payable on account of any

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1 covered employee who has shall have been a covered employee for at least 18 months at date of death or last withdrawal, 2 whichever is the later, shall be reduced by 1/2 of the 3 4 survivors benefits to which his beneficiaries are eligible 5 under the federal Social Security Act, except that (1) the 6 survivors annuity payable under this Article shall not be reduced by any increase under that Act which occurs after the 7 offset required by this subsection is first applied to that 8 9 annuity, (2) for benefits granted on or after January 1, 1992, 10 the offset under this subsection (q) shall not exceed 50% of 11 the amount of survivors annuity otherwise payable.

Beginning on July 1, 2008 (and except as otherwise provided in Section 14-152.2), the offset under this subsection (g) shall no longer be applied to a survivors annuity of any person receiving retirement benefits or a survivors annuity on the effective date of this amendatory Act of the 95th General Assembly.

Except as otherwise provided in Section 14-152.2, an active 18 member of the System first employed before January 1, 2008 must 19 20 file an election to have the offset under this subsection (g) applied to his or her survivors annuity with the System on or 21 before March 1, 2008. If no election is made by the employee, 22 then the employee must begin making the additional 0.6% 23 24 contribution required pursuant to Section 14-133 and, if he or 25 she elects to do so by September 1, 2008, may elect to make the contributions for any prior service. Once the member has made 26

1	an election or failed to make the election to have the offset
2	applied to his or her survivors annuity within the specified
3	period, the member must maintain that status until a qualifying
4	event occurs. Upon the occurrence of a qualifying event, (i) if
5	the member's survivors annuity is subject to the offset, the
6	member may elect to remove the offset and begin to make
7	contributions for any service after that date and, within 60
8	days after that date, make contributions for any prior service
9	without interest or (ii) if the member's survivors annuity is
10	not subject to the offset, the member may elect to have the
11	offset applied to his or her survivors annuity and cease making
12	the contributions, but shall receive no refund for the
13	contributions.
14	Except as otherwise provided in Section 14-152.2, unless an
14 15	Except as otherwise provided in Section 14-152.2, unless an active member of the System first employed on or after January
15	active member of the System first employed on or after January
15 16	active member of the System first employed on or after January 1, 2008 files an election to have the offset under this
15 16 17	active member of the System first employed on or after January 1, 2008 files an election to have the offset under this subsection (g) applied to his or her survivors annuity with the
15 16 17 18	active member of the System first employed on or after January 1, 2008 files an election to have the offset under this subsection (q) applied to his or her survivors annuity with the System during his or her qualifying period, he or she shall
15 16 17 18 19	active member of the System first employed on or after January 1, 2008 files an election to have the offset under this subsection (g) applied to his or her survivors annuity with the System during his or her qualifying period, he or she shall begin making the 1.1% contribution required under 14-133. After
15 16 17 18 19 20	active member of the System first employed on or after January 1, 2008 files an election to have the offset under this subsection (g) applied to his or her survivors annuity with the System during his or her qualifying period, he or she shall begin making the 1.1% contribution required under 14-133. After the qualifying period, the member must maintain his or her
15 16 17 18 19 20 21	active member of the System first employed on or after January 1, 2008 files an election to have the offset under this subsection (g) applied to his or her survivors annuity with the System during his or her qualifying period, he or she shall begin making the 1.1% contribution required under 14-133. After the qualifying period, the member must maintain his or her offset status until a qualifying event occurs. Upon the
15 16 17 18 19 20 21 22	active member of the System first employed on or after January 1, 2008 files an election to have the offset under this subsection (g) applied to his or her survivors annuity with the System during his or her qualifying period, he or she shall begin making the 1.1% contribution required under 14-133. After the qualifying period, the member must maintain his or her offset status until a qualifying event occurs. Upon the occurrence of a qualifying event, (i) if the member's survivors
15 16 17 18 19 20 21 22 23	active member of the System first employed on or after January 1, 2008 files an election to have the offset under this subsection (q) applied to his or her survivors annuity with the System during his or her qualifying period, he or she shall begin making the 1.1% contribution required under 14-133. After the qualifying period, the member must maintain his or her offset status until a qualifying event occurs. Upon the occurrence of a qualifying event, (i) if the member's survivors annuity is subject to the offset, the member may elect to

(ii) if the member's survivors annuity is not subject to the
 offset, the member may elect to have the offset applied to his
 or her survivors annuity and cease making the contributions,
 but shall receive no refund for the contributions.

5 If a member has a qualifying survivor at the time of 6 retirement and has made the additional contributions pursuant to Section 14-133 to remove the offset under this subsection 7 (q) for all of his or her creditable service, then the offset 8 9 under this subsection (d) does not apply to the member's 10 survivors benefit. If a member has a qualifying survivor at the 11 time of retirement and has made the additional contributions under Section 14-133 to remove the offset under this subsection 12 13 (g) for a portion of his or her creditable service, then the 14 member may either (A) receive a refund of the additional 15 contributions made and have the offset under this subsection (g) apply to the member's survivors annuity or (B) make the 16 required contributions for any period for which he or she has 17 not contributed, plus interest. If a member does not have a 18 19 qualifying survivor at the time of retirement, then the member 20 may receive a refund of the additional contributions made pursuant to Section 14-133 to remove the offset under this 21 22 subsection (g).

23 <u>For the purposes of this subsection (g), "qualifying event"</u>
24 <u>includes a change in marital status (including the death of a</u>
25 <u>spouse) or the adoption or birth of a child.</u>

26

(h) The minimum payment to a beneficiary hereunder shall be

\$60 per month, which shall be reduced in accordance with the limitation prescribed on the combined payments to all beneficiaries of a member.

4 (i) Subject to the conditions set forth in Section 14-120, 5 the minimum total survivors annuity benefit payable to the survivors annuity beneficiaries of a deceased member or 6 annuitant whose death occurs on or after January 1, 1984, shall 7 8 be 50% of the amount of retirement annuity that was or would have been payable to the deceased on the date of death, 9 10 regardless of the age of the deceased on such date. If the 11 minimum total benefit provided by this subsection exceeds the maximum otherwise imposed by this Section, the minimum total 12 13 benefit shall nevertheless be payable. Any increase in the total survivors annuity benefit resulting from the operation of 14 15 this subsection shall be divided among the survivors annuity 16 beneficiaries of the deceased in proportion to their shares of the total survivors annuity benefit otherwise payable under 17 18 this Section.

Any survivors annuity beneficiary whose annuity 19 (j) 20 terminates due to any condition specified in this Article other than death shall be entitled to a refund of the excess, if any, 21 22 of the accumulated contributions of the member plus credited 23 interest over all payments to the member and beneficiary or 24 beneficiaries, exclusive of the single sum payment of \$1,000, 25 provided no future survivors or reversionary annuity benefits 26 are payable.

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(k) Upon the death of the last eligible recipient of a 1 survivors annuity the excess, if any, of the member's 2 accumulated contributions plus credited interest over all 3 4 annuity payments to the member and survivors exclusive of the 5 single sum payment of \$1000, shall be paid to the named 6 beneficiary of the last eligible survivor, or if none has been named, to the estate of the last eligible survivor, provided no 7 8 reversionary annuity is payable.

9 (1) On January 1, 1981, any survivor who was receiving a 10 survivors annuity on or before January 1, 1971, shall have his 11 survivors annuity then being paid increased by 1% for each full year which has elapsed from the date the annuity began. On 12 13 January 1, 1982, any survivor who began receiving a survivor's annuity after January 1, 1971, but before January 1, 1981, 14 15 shall have his survivor's annuity then being paid increased by 16 1% for each full year that has elapsed from the date the annuity began. On January 1, 1987, any survivor who began 17 receiving a survivor's annuity on or before January 1, 1977, 18 19 shall have the monthly survivor's annuity increased by \$1 for 20 each full year which has elapsed since the date the survivor's 21 annuity began.

(m) Beginning January 1, 1990, every survivor's annuity shall be increased (1) on each January 1 occurring on or after the commencement of the annuity if the deceased member died while receiving a retirement annuity, or (2) in other cases, on each January 1 occurring on or after the first anniversary of 09500HB1697ham002 -14- LRB095 07041 AMC 36267 a

the commencement of the annuity, by an amount equal to 3% of the current amount of the annuity, including any previous increases under this Article. Such increases shall apply without regard to whether the deceased member was in service on or after the effective date of Public Act 86-1488, but shall not accrue for any period prior to January 1, 1990.

7 (Source: P.A. 86-273; 86-1488; 87-794.)

8 (40 ILCS 5/14-130) (from Ch. 108 1/2, par. 14-130)

9 Sec. 14-130. Refunds; rules.

(a) Upon withdrawal a member is entitled to receive, upon written request, a refund of the member's contributions, including credits granted while in receipt of disability benefits, without credited interest. The board, in its discretion may withhold payment of the refund of a member's contributions for a period not to exceed 1 year after the member has ceased to be an employee.

For purposes of this Section, a member will be considered to have withdrawn from service if a change in, or transfer of, his position results in his becoming ineligible for continued membership in this System and eligible for membership in another public retirement system under this Act.

(b) A member receiving a refund forfeits and relinquishes all accrued rights in the System, including all accumulated creditable service. If the person again becomes a member of the System and establishes at least 2 years of creditable service, 09500HB1697ham002 -15- LRB095 07041 AMC 36267 a

1 the member may repay all the moneys previously refunded or a 2 the moneys previously refunded representing portion of 3 contributions for one or more whole months of creditable 4 service. If a member repays a portion of moneys previously 5 refunded, he or she may later repay some or all of the 6 remaining portion of those previously refunded moneys. However, a former member may restore credits previously 7 8 forfeited by acceptance of a refund without returning to 9 service by applying in writing and repaying to the System, by 10 April 1, 1993, the amount of the refund plus regular interest 11 calculated from the date of refund to the date of repayment.

The repayment of refunds issued prior to January 1, 1984 12 13 shall consist of the amount refunded plus 5% interest per annum 14 compounded annually for the period from the date of the refund 15 to the end of the month in which repayment is made. The 16 repayment of refunds issued after January 1, 1984 shall consist of the amount refunded plus regular interest for the period 17 from the date of refund to the end of the month in which 18 repayment is made. The repayment of the refund of a person who 19 20 accepts an alternative retirement cancellation payment under 21 Section 14-108.5 shall consist of the entire amount paid to the 22 person under subsection (c) of Section 14-108.5 plus regular 23 interest for the period from the date of the refund to the end 24 of the month in which repayment is made. However, in the case 25 of a refund that is repaid in a lump sum between January 1, 1991 and July 1, 1991, repayment shall consist of the amount 26

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1 refunded plus interest at the rate of 2.5% per annum compounded 2 annually from the date of the refund to the end of the month in 3 which repayment is made.

4 Upon repayment, the member shall receive credit for the 5 service for which the refund has been repaid, and the corresponding member contributions and regular interest that 6 was forfeited by acceptance of the refund, as well as regular 7 interest for the period of non-membership. Such repayment shall 8 9 be made in full before retirement either in a lump sum or in 10 installment payments in accordance with such rules as may be 11 adopted by the board.

12 (b-5) The Board may adopt rules governing the repayment of 13 refunds and establishment of credits in cases involving awards 14 of back pay or reinstatement. The rules may authorize repayment 15 of a refund in installment payments and may waive the payment 16 of interest on refund amounts repaid in full within a specified 17 period.

(c) A member no longer in service who is unmarried and does 18 not have an eligible survivors annuity beneficiary on the date 19 20 of application therefor is entitled to а refund of contributions for widow's annuity or survivors 21 annuitv 22 purposes, or both, as the case may be, including the increased 23 amounts paid pursuant to the increase in contribution rates for 24 widow or survivors annuity purposes under Section 14-133 by 25 this amendatory Act of the 95th General Assembly, without interest. A widow's annuity or survivors annuity shall not be 26

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payable upon the death of a person who has received this refund, unless prior to that death the amount of the refund has been repaid to the System, together with regular interest from the date of the refund to the date of repayment.

5 (d) Any member who has service credit in any position for which an alternative retirement annuity is provided and in 6 relation to which an increase in the rate of employee 7 contribution is required, shall be entitled to a refund, 8 9 without interest, of that part of the member's employee 10 contribution which results from that increase in the employee 11 rate if the member does not qualify for that alternative retirement annuity at the time of retirement. 12

13 (Source: P.A. 93-839, eff. 7-30-04; 94-455, eff. 8-4-05.)

14 (40 ILCS 5/14-133) (from Ch. 108 1/2, par. 14-133)

15 Sec. 14-133. Contributions on behalf of members.

16 (a) Each participating employee shall make contributions
17 to the System, based on the employee's compensation, as
18 follows:

(1) Covered employees, except as indicated below, 3.5%
 for retirement annuity, and 0.5% for a widow or survivors
 annuity. After July 1, 2008, the retirement contribution
 for a covered employee is increased 0.6% if the Social
 Security offset is removed from his or her widow's or
 survivors annuity, thus making his or her total
 contribution for that purpose 1.1%.+

(2) Noncovered employees, except as indicated below,
 7% for retirement annuity and 1% for a widow or survivors
 annuity.+

4 (3) Noncovered employees serving in a position in which
5 "eligible creditable service" as defined in Section 14-110
6 may be earned, 1% for a widow or survivors annuity plus the
7 following amount for retirement annuity: 8.5% through
8 December 31, 2001; 9.5% in 2002; 10.5% in 2003; and 11.5%
9 in 2004 and thereafter.;

10 (4) Covered employees serving in a position in which "eligible creditable service" as defined in Section 14-110 11 may be earned, 0.5% for a widow or survivors annuity, plus 12 13 the following amount for retirement annuity: 5% through December 31, 2001; 6% in 2002; 7% in 2003; and 8% in 2004 14 15 and thereafter. After July 1, 2008, the retirement contribution for a covered employee is increased 0.6% to 16 remove the Social Security offset from his or her widow's 17 or survivors annuity, thus making his or her total 18 19 contribution for that purpose 1.1%.+

(5) Each security employee of the Department of
Corrections or of the Department of Human Services who is a
covered employee, 0.5% for a widow or survivors annuity,
plus the following amount for retirement annuity: 5%
through December 31, 2001; 6% in 2002; 7% in 2003; and 8%
in 2004 and thereafter. After July 1, 2008, the retirement
contribution for a covered employee is increased 0.6% to

1 remove the Social Security offset from his or her widow's
2 or survivors annuity, thus making his or her total
3 contribution for that purpose 1.1%.+

4 (6) Each security employee of the Department of
5 Corrections or of the Department of Human Services who is
6 not a covered employee, 1% for a widow or survivors annuity
7 plus the following amount for retirement annuity: 8.5%
8 through December 31, 2001; 9.5% in 2002; 10.5% in 2003; and
9 11.5% in 2004 and thereafter.

10 (b) Contributions shall be in the form of a deduction from 11 compensation and shall be made notwithstanding that the 12 compensation paid in cash to the employee shall be reduced 13 thereby below the minimum prescribed by law or regulation. Each 14 member is deemed to consent and agree to the deductions from 15 compensation provided for in this Article, and shall receipt in 16 full for salary or compensation.

17 (c) The increase in contributions by covered members for 18 widow or survivors annuity purposes provided by this amendatory 19 Act of the 95th General Assembly does not apply to persons who 20 first become members of the System on or after July 1, 2013, if 21 the new benefit increase created by this amendatory Act expires 22 in accordance with Section 14-152.1(d) and Section 14-152.2. 23 (Source: P.A. 92-14, eff. 6-28-01.)

24

(40 ILCS 5/14-152.2 new)

25 <u>Sec. 14-152.2. New benefit increases. The General Assembly</u>

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1	finds and declares that the amendment to Sections 14-119 and
2	14-121 made by this amendatory Act of the 95th General
3	Assembly, which removes the social security offset from certain
4	widow's and survivors annuities beginning July 1, 2008,
5	constitutes a new benefit increase within the meaning of
6	Section 14-152.1. Funding for this new benefit increase will be
7	provided by the additional employee contributions made under
8	Section 14-133 by this amendatory Act.
9	Unless this new benefit increase is extended by the General
10	Assembly, it will expire on July 1, 2013. If this new benefit
11	increase expires:
12	(i) for persons who first become members of the System
13	on or after the July 1, 2013 expiration date (and their
14	widows and survivors), the social security offsets under
15	Section 14-119(d) and Section 14-121(g), as they existed
16	immediately prior to the effective date of this amendatory
17	Act, are reinstated, and the increase in contributions by
18	covered members for widow or survivors annuity purposes
19	under Section 14-133 does not apply; and
20	(ii) for persons who first become members of the System
21	before July 1, 2013 and made the required elective
22	contributions under Section 14-133 (and their widows and
23	survivors), the social security offsets under Section
24	14-119(d) and Section 14-121(g) remain inapplicable after
25	July 1, 2008 and the increase in contributions by covered
26	members for widow or survivors annuity purposes under

## 1 Section 14-133 remains in effect.

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