



Sen. Dan Kotowski

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1 AMENDMENT TO SENATE BILL 369

2 AMENDMENT NO. _____. Amend Senate Bill 369 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Pension Code is amended by
5 changing Sections 2-108.1 and 18-125 as follows:

6 (40 ILCS 5/2-108.1) (from Ch. 108 1/2, par. 2-108.1)

7 Sec. 2-108.1. Highest salary for annuity purposes.

8 (a) "Highest salary for annuity purposes" means whichever
9 of the following is applicable to the participant:

10 For a participant who first becomes a participant of this
11 System before the effective date of this amendatory Act of the
12 96th General Assembly:

13 (1) For a participant who is a member of the General
14 Assembly on his or her last day of service: the highest
15 salary that is prescribed by law, on the participant's last
16 day of service, for a member of the General Assembly who is

1 not an officer; plus, if the participant was elected or
2 appointed to serve as an officer of the General Assembly
3 for 2 or more years and has made contributions as required
4 under subsection (d) of Section 2-126, the highest
5 additional amount of compensation prescribed by law, at the
6 time of the participant's service as an officer, for
7 members of the General Assembly who serve in that office.

8 (2) For a participant who holds one of the State
9 executive offices specified in Section 2-105 on his or her
10 last day of service: the highest salary prescribed by law
11 for service in that office on the participant's last day of
12 service.

13 (3) For a participant who is Clerk or Assistant Clerk
14 of the House of Representatives or Secretary or Assistant
15 Secretary of the Senate on his or her last day of service:
16 the salary received for service in that capacity on the
17 last day of service, but not to exceed the highest salary
18 (including additional compensation for service as an
19 officer) that is prescribed by law on the participant's
20 last day of service for the highest paid officer of the
21 General Assembly.

22 (4) For a participant who is a continuing participant
23 under Section 2-117.1 on his or her last day of service:
24 the salary received for service in that capacity on the
25 last day of service, but not to exceed the highest salary
26 (including additional compensation for service as an

1 officer) that is prescribed by law on the participant's
2 last day of service for the highest paid officer of the
3 General Assembly.

4 For a participant who first becomes a participant of this
5 System on or after the effective date of this amendatory Act of
6 the 96th General Assembly, the average monthly salary obtained
7 by dividing the total salary of the participant during the
8 period of: (1) the 48 consecutive months of service within the
9 last 120 months of service in which the total compensation was
10 the highest, or (2) the total period of service, if less than
11 48 months, by the number of months of service in that period.

12 (b) The earnings limitations of subsection (a) apply to
13 earnings under any other participating system under the
14 Retirement Systems Reciprocal Act that are considered in
15 calculating a proportional annuity under this Article, except
16 in the case of a person who first became a member of this
17 System before August 22, 1994.

18 (c) In calculating the subsection (a) earnings limitation
19 to be applied to earnings under any other participating system
20 under the Retirement Systems Reciprocal Act for the purpose of
21 calculating a proportional annuity under this Article, the
22 participant's last day of service shall be deemed to mean the
23 last day of service in any participating system from which the
24 person has applied for a proportional annuity under the
25 Retirement Systems Reciprocal Act.

26 (Source: P.A. 90-655, eff. 7-30-98.)

1 (40 ILCS 5/18-125) (from Ch. 108 1/2, par. 18-125)

2 Sec. 18-125. Retirement annuity amount.

3 (a) The annual retirement annuity for a participant who
4 terminated service as a judge prior to July 1, 1971 shall be
5 based on the law in effect at the time of termination of
6 service.

7 (b) Effective July 1, 1971, the retirement annuity for any
8 participant in service on or after such date shall be 3 1/2% of
9 final average salary, as defined in this Section, for each of
10 the first 10 years of service, and 5% of such final average
11 salary for each year of service on excess of 10.

12 For purposes of this Section, final average salary for a
13 participant who first serves a judge before the effective date
14 of this amendatory act of the 96th General Assembly shall be:

15 (1) the average salary for the last 4 years of credited
16 service as a judge for a participant who terminates service
17 before July 1, 1975.

18 (2) for a participant who terminates service after June
19 30, 1975 and before July 1, 1982, the salary on the last
20 day of employment as a judge.

21 (3) for any participant who terminates service after
22 June 30, 1982 and before January 1, 1990, the average
23 salary for the final year of service as a judge.

24 (4) for a participant who terminates service on or
25 after January 1, 1990 but before the effective date of this

1 amendatory Act of 1995, the salary on the last day of
2 employment as a judge.

3 (5) for a participant who terminates service on or
4 after the effective date of this amendatory Act of 1995,
5 the salary on the last day of employment as a judge, or the
6 highest salary received by the participant for employment
7 as a judge in a position held by the participant for at
8 least 4 consecutive years, whichever is greater.

9 However, in the case of a participant who elects to
10 discontinue contributions as provided in subdivision (a)(2) of
11 Section 18-133, the time of such election shall be considered
12 the last day of employment in the determination of final
13 average salary under this subsection.

14 For a participant who first serves a judge on or after the
15 effective date of this amendatory Act of the 96th General
16 Assembly, final average salary shall be the average monthly
17 salary obtained by dividing the total salary of the participant
18 during the period of: (1) the 48 consecutive months of service
19 within the last 120 months of service in which the total
20 compensation was the highest, or (2) the total period of
21 service, if less than 48 months, by the number of months of
22 service in that period.

23 The maximum retirement annuity for any participant shall be
24 85% of final average salary.

25 (c) The retirement annuity for a participant who retires
26 prior to age 60 with less than 28 years of service in the

1 System shall be reduced 1/2 of 1% for each month that the
2 participant's age is under 60 years at the time the annuity
3 commences. However, for a participant who retires on or after
4 the effective date of this amendatory Act of the 91st General
5 Assembly, the percentage reduction in retirement annuity
6 imposed under this subsection shall be reduced by 5/12 of 1%
7 for every month of service in this System in excess of 20
8 years, and therefore a participant with at least 26 years of
9 service in this System may retire at age 55 without any
10 reduction in annuity.

11 The reduction in retirement annuity imposed by this
12 subsection shall not apply in the case of retirement on account
13 of disability.

14 (Source: P.A. 91-653, eff. 12-10-99.)

15 Section 99. Effective date. This Act takes effect upon
16 becoming law."