



Rep. Michael J. Madigan

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1 AMENDMENT TO SENATE BILL 2196

2 AMENDMENT NO. _____. Amend Senate Bill 2196 by replacing
3 everything after the enacting clause with the following:

4 "Section 1. Short title. This Act may be cited as the
5 University of Illinois School of Labor and Employment Relations
6 Act.

7 Section 5. School of Labor and Employment Relations;
8 autonomy. The Board of Trustees of the University of Illinois
9 shall operate the School of Labor and Employment Relations as a
10 distinct and autonomous entity within the University of
11 Illinois for the purpose of offering curricula and other
12 educational programs, at the Urbana-Champaign and Chicago
13 campuses and through extension services, in all phases of
14 industrial and labor relations to promote research in those
15 fields by maintaining a school dedicated solely to the
16 faithful, honest, and impartial inquiry into labor-management

1 problems of all types, and for the securement of such advances
2 as will lay the foundations for future progress in the field of
3 labor relations.

4 Section 900. The Illinois Pension Code is amended by
5 changing Sections 15-126.1, 15-139, 15-139.5, and 15-168.2 as
6 follows:

7 (40 ILCS 5/1-160)

8 Sec. 1-160. Provisions applicable to new hires.

9 (a) The provisions of this Section apply to a person who,
10 on or after January 1, 2011, first becomes a member or a
11 participant under any reciprocal retirement system or pension
12 fund established under this Code, other than a retirement
13 system or pension fund established under Article 2, 3, 4, 5, 6,
14 15 or 18 of this Code, notwithstanding any other provision of
15 this Code to the contrary, but do not apply to any self-managed
16 plan established under this Code, to any person with respect to
17 service as a sheriff's law enforcement employee under Article
18 7, or to any participant of the retirement plan established
19 under Section 22-101. Notwithstanding anything to the contrary
20 in this Section, for purposes of this Section, a person who
21 participated in a retirement system under Article 15 prior to
22 January 1, 2011 shall be deemed a person who first became a
23 member or participant prior to January 1, 2011 under any
24 retirement system or pension fund subject to this Section. The

1 changes made to this Section by this amendatory Act of the 98th
2 General Assembly are a clarification of existing law and are
3 intended to be retroactive to the effective date of Public Act
4 96-889, notwithstanding the provisions of Section 1-103.1 of
5 this Code.

6 (b) "Final average salary" means the average monthly (or
7 annual) salary obtained by dividing the total salary or
8 earnings calculated under the Article applicable to the member
9 or participant during the 96 consecutive months (or 8
10 consecutive years) of service within the last 120 months (or 10
11 years) of service in which the total salary or earnings
12 calculated under the applicable Article was the highest by the
13 number of months (or years) of service in that period. For the
14 purposes of a person who first becomes a member or participant
15 of any retirement system or pension fund to which this Section
16 applies on or after January 1, 2011, in this Code, "final
17 average salary" shall be substituted for the following:

18 (1) In Article 7 (except for service as sheriff's law
19 enforcement employees), "final rate of earnings".

20 (2) In Articles 8, 9, 10, 11, and 12, "highest average
21 annual salary for any 4 consecutive years within the last
22 10 years of service immediately preceding the date of
23 withdrawal".

24 (3) In Article 13, "average final salary".

25 (4) In Article 14, "final average compensation".

26 (5) In Article 17, "average salary".

1 (6) In Section 22-207, "wages or salary received by him
2 at the date of retirement or discharge".

3 (b-5) Beginning on January 1, 2011, for all purposes under
4 this Code (including without limitation the calculation of
5 benefits and employee contributions), the annual earnings,
6 salary, or wages (based on the plan year) of a member or
7 participant to whom this Section applies shall not exceed
8 \$106,800; however, that amount shall annually thereafter be
9 increased by the lesser of (i) 3% of that amount, including all
10 previous adjustments, or (ii) one-half the annual unadjusted
11 percentage increase (but not less than zero) in the consumer
12 price index-u for the 12 months ending with the September
13 preceding each November 1, including all previous adjustments.

14 For the purposes of this Section, "consumer price index-u"
15 means the index published by the Bureau of Labor Statistics of
16 the United States Department of Labor that measures the average
17 change in prices of goods and services purchased by all urban
18 consumers, United States city average, all items, 1982-84 =
19 100. The new amount resulting from each annual adjustment shall
20 be determined by the Public Pension Division of the Department
21 of Insurance and made available to the boards of the retirement
22 systems and pension funds by November 1 of each year.

23 (c) A member or participant is entitled to a retirement
24 annuity upon written application if he or she has attained age
25 67 and has at least 10 years of service credit and is otherwise
26 eligible under the requirements of the applicable Article.

1 A member or participant who has attained age 62 and has at
2 least 10 years of service credit and is otherwise eligible
3 under the requirements of the applicable Article may elect to
4 receive the lower retirement annuity provided in subsection (d)
5 of this Section.

6 (d) The retirement annuity of a member or participant who
7 is retiring after attaining age 62 with at least 10 years of
8 service credit shall be reduced by one-half of 1% for each full
9 month that the member's age is under age 67.

10 (e) Any retirement annuity or supplemental annuity shall be
11 subject to annual increases on the January 1 occurring either
12 on or after the attainment of age 67 or the first anniversary
13 of the annuity start date, whichever is later. Each annual
14 increase shall be calculated at 3% or one-half the annual
15 unadjusted percentage increase (but not less than zero) in the
16 consumer price index-u for the 12 months ending with the
17 September preceding each November 1, whichever is less, of the
18 originally granted retirement annuity. If the annual
19 unadjusted percentage change in the consumer price index-u for
20 the 12 months ending with the September preceding each November
21 1 is zero or there is a decrease, then the annuity shall not be
22 increased.

23 (f) The initial survivor's or widow's annuity of an
24 otherwise eligible survivor or widow of a retired member or
25 participant who first became a member or participant on or
26 after January 1, 2011 shall be in the amount of 66 2/3% of the

1 retired member's or participant's retirement annuity at the
2 date of death. In the case of the death of a member or
3 participant who has not retired and who first became a member
4 or participant on or after January 1, 2011, eligibility for a
5 survivor's or widow's annuity shall be determined by the
6 applicable Article of this Code. The initial benefit shall be
7 66 2/3% of the earned annuity without a reduction due to age. A
8 child's annuity of an otherwise eligible child shall be in the
9 amount prescribed under each Article if applicable. Any
10 survivor's or widow's annuity shall be increased (1) on each
11 January 1 occurring on or after the commencement of the annuity
12 if the deceased member died while receiving a retirement
13 annuity or (2) in other cases, on each January 1 occurring
14 after the first anniversary of the commencement of the annuity.
15 Each annual increase shall be calculated at 3% or one-half the
16 annual unadjusted percentage increase (but not less than zero)
17 in the consumer price index-u for the 12 months ending with the
18 September preceding each November 1, whichever is less, of the
19 originally granted survivor's annuity. If the annual
20 unadjusted percentage change in the consumer price index-u for
21 the 12 months ending with the September preceding each November
22 1 is zero or there is a decrease, then the annuity shall not be
23 increased.

24 (g) The benefits in Section 14-110 apply only if the person
25 is a State policeman, a fire fighter in the fire protection
26 service of a department, or a security employee of the

1 Department of Corrections or the Department of Juvenile
2 Justice, as those terms are defined in subsection (b) of
3 Section 14-110. A person who meets the requirements of this
4 Section is entitled to an annuity calculated under the
5 provisions of Section 14-110, in lieu of the regular or minimum
6 retirement annuity, only if the person has withdrawn from
7 service with not less than 20 years of eligible creditable
8 service and has attained age 60, regardless of whether the
9 attainment of age 60 occurs while the person is still in
10 service.

11 (h) If a person who first becomes a member or a participant
12 of a retirement system or pension fund subject to this Section
13 on or after January 1, 2011 is receiving a retirement annuity
14 or retirement pension under that system or fund and becomes a
15 member or participant under any other system or fund created by
16 this Code and is employed on a full-time basis, except for
17 those members or participants exempted from the provisions of
18 this Section under subsection (a) of this Section, then the
19 person's retirement annuity or retirement pension under that
20 system or fund shall be suspended during that employment. Upon
21 termination of that employment, the person's retirement
22 annuity or retirement pension payments shall resume and be
23 recalculated if recalculation is provided for under the
24 applicable Article of this Code.

25 If a person who first becomes a member of a retirement
26 system or pension fund subject to this Section on or after

1 January 1, 2012 and is receiving a retirement annuity or
2 retirement pension under that system or fund and accepts on a
3 contractual basis a position to provide services to a
4 governmental entity from which he or she has retired, then that
5 person's annuity or retirement pension earned as an active
6 employee of the employer shall be suspended during that
7 contractual service. A person receiving an annuity or
8 retirement pension under this Code shall notify the pension
9 fund or retirement system from which he or she is receiving an
10 annuity or retirement pension, as well as his or her
11 contractual employer, of his or her retirement status before
12 accepting contractual employment. A person who fails to submit
13 such notification shall be guilty of a Class A misdemeanor and
14 required to pay a fine of \$1,000. Upon termination of that
15 contractual employment, the person's retirement annuity or
16 retirement pension payments shall resume and, if appropriate,
17 be recalculated under the applicable provisions of this Code.

18 (i) (Blank).

19 (j) In the case of a conflict between the provisions of
20 this Section and any other provision of this Code, the
21 provisions of this Section shall control.

22 (Source: P.A. 97-609, eff. 1-1-12; 98-92, eff. 7-16-13.)

23 (40 ILCS 5/15-108.2)

24 Sec. 15-108.2. Tier 2 member. "Tier 2 member": A person who
25 first becomes a participant under this Article on or after

1 January 1, 2011, other than a person in the self-managed plan
2 established under Section 15-158.2, unless the person is
3 otherwise a Tier 1 member. The changes made to this Section by
4 this amendatory Act of the 98th General Assembly are a
5 correction of existing law and are intended to be retroactive
6 to the effective date of Public Act 96-889, notwithstanding the
7 provisions of Section 1-103.1 of this Code. A participant under
8 this Article, other than a participant in the self managed plan
9 under Section 15-158.2, who on or after January 1, 2011, first
10 becomes a participant or member under any reciprocal retirement
11 system or pension fund established under this Code.

12 (Source: P.A. 98-92, eff. 7-16-13.)

13 (40 ILCS 5/15-126.1) (from Ch. 108 1/2, par. 15-126.1)

14 Sec. 15-126.1. Academic year. "Academic year": The
15 12-month period beginning on the first day of the fall term as
16 determined by each employer, or if the employer does not have
17 an academic program divided into terms, then beginning
18 September 1. For the purposes of Section 15-139.5 and
19 subsection (b) of Section 15-139, however, "academic year"
20 means the 12-month period beginning September 1.

21 (Source: P.A. 84-1472.)

22 (40 ILCS 5/15-139) (from Ch. 108 1/2, par. 15-139)

23 Sec. 15-139. Retirement annuities; cancellation; suspended
24 during employment.

1 (a) If an annuitant returns to employment for an employer
2 within 60 days after the beginning of the retirement annuity
3 payment period, the retirement annuity shall be cancelled, and
4 the annuitant shall refund to the System the total amount of
5 the retirement annuity payments which he or she received. If
6 the retirement annuity is cancelled, the participant shall
7 continue to participate in the System.

8 (b) If an annuitant retires prior to age 60 and receives or
9 becomes entitled to receive during any month compensation in
10 excess of the monthly retirement annuity (including any
11 automatic annual increases) for services performed after the
12 date of retirement for any employer under this System, that
13 portion of the monthly retirement annuity provided by employer
14 contributions shall not be payable.

15 If an annuitant retires at age 60 or over and receives or
16 becomes entitled to receive during any academic year
17 compensation in excess of the difference between his or her
18 highest annual earnings prior to retirement and his or her
19 annual retirement annuity computed under Rule 1, Rule 2, Rule
20 3, or Rule 4 of Section 15-136, or under Section 15-136.4, for
21 services performed after the date of retirement for any
22 employer under this System, that portion of the monthly
23 retirement annuity provided by employer contributions shall be
24 reduced by an amount equal to the compensation that exceeds
25 such difference.

26 However, any remuneration received for serving as a member

1 of the Illinois Educational Labor Relations Board shall be
2 excluded from "compensation" for the purposes of this
3 subsection (b), and serving as a member of the Illinois
4 Educational Labor Relations Board shall not be deemed to be a
5 return to employment for the purposes of this Section. This
6 provision applies without regard to whether service was
7 terminated prior to the effective date of this amendatory Act
8 of 1991.

9 "Academic year", as used in this subsection (b), means the
10 12-month period beginning September 1.

11 (c) If an employer certifies that an annuitant has been
12 reemployed on a permanent and continuous basis or in a position
13 in which the annuitant is expected to serve for at least 9
14 months, the annuitant shall resume his or her status as a
15 participating employee and shall be entitled to all rights
16 applicable to participating employees upon filing with the
17 board an election to forgo all annuity payments during the
18 period of reemployment. Upon subsequent retirement, the
19 retirement annuity shall consist of the annuity which was
20 terminated by the reemployment, plus the additional retirement
21 annuity based upon service granted during the period of
22 reemployment, but the combined retirement annuity shall not
23 exceed the maximum annuity applicable on the date of the last
24 retirement.

25 The total service and earnings credited before and after
26 the initial date of retirement shall be considered in

1 determining eligibility of the employee or the employee's
2 beneficiary to benefits under this Article, and in calculating
3 final rate of earnings.

4 In determining the death benefit payable to a beneficiary
5 of an annuitant who again becomes a participating employee
6 under this Section, accumulated normal and additional
7 contributions shall be considered as the sum of the accumulated
8 normal and additional contributions at the date of initial
9 retirement and the accumulated normal and additional
10 contributions credited after that date, less the sum of the
11 annuity payments received by the annuitant.

12 The survivors insurance benefits provided under Section
13 15-145 shall not be applicable to an annuitant who resumes his
14 or her status as a participating employee, unless the
15 annuitant, at the time of initial retirement, has a survivors
16 insurance beneficiary who could qualify for such benefits.

17 If the participant's employment is terminated because of
18 circumstances other than death before 9 months from the date of
19 reemployment, the provisions of this Section regarding
20 resumption of status as a participating employee shall not
21 apply. The normal and survivors insurance contributions which
22 are deducted during this period shall be refunded to the
23 annuitant without interest, and subsequent benefits under this
24 Article shall be the same as those which were applicable prior
25 to the date the annuitant resumed employment.

26 The amendments made to this Section by this amendatory Act

1 of the 91st General Assembly apply without regard to whether
2 the annuitant was in service on or after the effective date of
3 this amendatory Act.

4 (Source: P.A. 97-933, eff. 8-10-12; 97-968, eff. 8-16-12;
5 98-92, eff. 7-16-13.)

6 (40 ILCS 5/15-139.5)

7 Sec. 15-139.5. Return to work by affected annuitant; notice
8 and contribution by employer.

9 (a) An employer who employs or re-employs a person
10 receiving a retirement annuity from the System in an academic
11 year beginning on or after August 1, 2013 must notify the
12 System of that employment within 60 days after employing the
13 annuitant. The notice must include a summary copy of the
14 contract of employment ~~or, if no written contract of employment~~
15 ~~exists, then the notice must~~ specify the rate of compensation
16 and the anticipated length of employment of that annuitant. The
17 notice must specify whether the annuitant will be compensated
18 from federal, corporate, foundation, or trust funds or grants
19 of State funds that identify the principal investigator by
20 name. The notice must include the employer's determination of
21 whether or not the annuitant is an "affected annuitant" as
22 defined in subsection (b).

23 The employer must also record, document, and certify to the
24 System (i) ~~the number of paid days and paid weeks worked by the~~
25 ~~annuitant in the academic year, (ii) the amount of compensation~~

1 paid to the annuitant for employment during the academic year,
2 and (ii) ~~(iii)~~ the amount of that compensation, if any, that
3 comes from either federal, corporate, foundation, or trust
4 funds or grants of State funds that identify the principal
5 investigator by name.

6 As used in this Section, "academic year" means the 12-month
7 period beginning September 1. ~~has the meaning ascribed to that~~
8 ~~term in Section 15 126.1; "paid day" means a day on which a~~
9 ~~person performs personal services for an employer and for which~~
10 ~~the person is compensated by the employer; and "paid week"~~
11 ~~means a calendar week in which a person has at least one paid~~
12 ~~day.~~

13 For the purposes of this Section, an annuitant whose
14 employment by an employer extends over more than one academic
15 year shall be deemed to be re-employed by that employer in each
16 of those academic years.

17 The System may specify the time, form, and manner of
18 providing the determinations, notifications, certifications,
19 and documentation required under this Section.

20 (b) A person receiving a retirement annuity from the System
21 becomes an "affected annuitant" on the first day of the
22 academic year following the academic year in which the
23 annuitant first meets ~~both of~~ the following condition
24 conditions:

25 (1) (Blank). ~~While receiving a retirement annuity~~
26 ~~under this Article, the annuitant has been employed on or~~

1 ~~after August 1, 2013 by one or more employers under this~~
2 ~~Article for a total of more than 18 paid weeks (which need~~
3 ~~not have been with the same employer or in the same~~
4 ~~academic year); except that any periods of employment for~~
5 ~~which the annuitant was compensated solely from federal,~~
6 ~~corporate, foundation, or trust funds or grants of State~~
7 ~~funds that identify the principal investigator by name are~~
8 ~~excluded.~~

9 (2) While receiving a retirement annuity under this
10 Article, the annuitant was employed on or after August 1,
11 2014 ~~2013~~ by one or more employers under this Article and
12 received or became entitled to receive during an academic
13 year compensation for that employment in excess of 40% of
14 his or her highest annual earnings prior to retirement;
15 except that compensation paid from federal, corporate,
16 foundation, or trust funds or grants of State funds that
17 identify the principal investigator by name is excluded.

18 A person who becomes an affected annuitant remains an
19 affected annuitant, except for any period during which the
20 person returns to active service and does not receive a
21 retirement annuity from the System.

22 (c) It is the obligation of the employer to determine
23 whether an annuitant is an affected annuitant before employing
24 the annuitant. For that purpose the employer may require the
25 annuitant to disclose and document his or her relevant prior
26 employment and earnings history. Failure of the employer to

1 make this determination correctly and in a timely manner or to
2 include this determination with the notification required
3 under subsection (a) does not excuse the employer from making
4 the contribution required under subsection (e).

5 The System may assist the employer in determining whether a
6 person is an affected annuitant. The System shall inform the
7 employer if it discovers that the employer's determination is
8 inconsistent with the employment and earnings information in
9 the System's records.

10 (d) Upon the request of an annuitant, the System shall
11 certify to the annuitant or the employer the following
12 information as reported by the employers, as that information
13 is indicated in the records of the System: (i) the annuitant's
14 highest annual earnings prior to retirement, (ii) ~~the number of~~
15 ~~paid weeks worked by the annuitant for an employer on or after~~
16 ~~August 1, 2013,~~ (iii) the compensation paid for that employment
17 in each academic year, and (iii) ~~(iv)~~ whether any of that
18 employment or compensation has been certified to the System as
19 being paid from federal, corporate, foundation, or trust funds
20 or grants of State funds that identify the principal
21 investigator by name. The System shall only be required to
22 certify information that is received from the employers.

23 (e) In addition to the requirements of subsection (a), an
24 employer who employs an affected annuitant must pay to the
25 System an employer contribution in the amount and manner
26 provided in this Section, unless the annuitant is compensated

1 by that employer solely from federal, corporate, foundation, or
2 trust funds or grants of State funds that identify the
3 principal investigator by name.

4 The employer contribution required under this Section for
5 employment of an affected annuitant in an academic year shall
6 be equal to 12 times the amount of the gross monthly retirement
7 annuity payable to the annuitant for the month in which the
8 first paid day of that employment in that academic year occurs,
9 after any reduction in that annuity that may be imposed under
10 subsection (b) of Section 15-139.

11 If an affected annuitant is employed by more than one
12 employer in an academic year, the employer contribution
13 required under this Section shall be divided among those
14 employers in proportion to their respective portions of the
15 total compensation paid to the affected annuitant for that
16 employment during that academic year.

17 If the System determines that an employer, without
18 reasonable justification, has failed to make the determination
19 of affected annuitant status correctly and in a timely manner,
20 or has failed to notify the System or to correctly document or
21 certify to the System any of the information required by this
22 Section, and that failure results in a delayed determination by
23 the System that a contribution is payable under this Section,
24 then the amount of that employer's contribution otherwise
25 determined under this Section shall be doubled.

26 The System shall deem a failure to correctly determine the

1 annuitant's status to be justified if the employer establishes
2 to the System's satisfaction that the employer, after due
3 diligence, made an erroneous determination that the annuitant
4 was not an affected annuitant due to reasonable reliance on
5 false or misleading information provided by the annuitant or
6 another employer, or an error in the annuitant's official
7 employment or earnings records.

8 (f) Whenever the System determines that an employer is
9 liable for a contribution under this Section, it shall so
10 notify the employer and certify the amount of the contribution.
11 The employer may pay the required contribution without interest
12 at any time within one year after receipt of the certification.
13 If the employer fails to pay within that year, then interest
14 shall be charged at a rate equal to the System's prescribed
15 rate of interest, compounded annually from the 366th day after
16 receipt of the certification from the System. Payment must be
17 concluded within 2 years after receipt of the certification by
18 the employer. If the employer fails to make complete payment,
19 including applicable interest, within 2 years, then the System
20 may, after giving notice to the employer, certify the
21 delinquent amount to the State Comptroller, and the Comptroller
22 shall thereupon deduct the certified delinquent amount from
23 State funds payable to the employer and pay them instead to the
24 System.

25 (g) If an employer is required to make a contribution to
26 the System as a result of employing an affected annuitant and

1 the annuitant later elects to forgo his or her annuity in that
2 same academic year pursuant to subsection (c) of Section
3 15-139, then the required contribution by the employer shall be
4 waived, and if the contribution has already been paid, it shall
5 be refunded to the employer without interest.

6 (h) Notwithstanding any other provision of this Article,
7 the employer contribution required under this Section shall not
8 be included in the determination of any benefit under this
9 Article or any other Article of this Code, regardless of
10 whether the annuitant returns to active service, and is in
11 addition to any other State or employer contribution required
12 under this Article.

13 (i) Notwithstanding any other provision of this Section to
14 the contrary, if an employer employs an affected annuitant in
15 order to continue critical operations in the event of either an
16 employee's unforeseen illness, accident, or death or a
17 catastrophic incident or disaster, then, for one and only one
18 academic year, the employer is not required to pay the
19 contribution set forth in this Section for that annuitant. The
20 employer shall, however, immediately notify the System upon
21 employing a person subject to this subsection (i). For the
22 purposes of this subsection (i), "critical operations" means
23 teaching services, medical services, student welfare services,
24 and any other services that are critical to the mission of the
25 employer.

26 (j) This Section shall be applied and coordinated with the

1 regulatory obligations contained in the State Universities
2 Civil Service Act. This Section shall not apply to an annuitant
3 if the employer of that annuitant provides documentation to the
4 System that (1) the annuitant is employed in a status
5 appointment position, as that term is defined in 80 Ill. Adm.
6 Code 250.80, and (2) due to obligations contained under the
7 State Universities Civil Service Act, the employer does not
8 have the ability to limit the earnings or duration of
9 employment for the annuitant while employed in the status
10 appointment position.

11 (Source: P.A. 97-968, eff. 8-16-12.)

12 (40 ILCS 5/15-145.1)

13 Sec. 15-145.1. Survivor's insurance annuities and lump sum
14 payments ~~benefits~~ for Tier 2 Members; amount. Survivor
15 eligibility, vesting, and conditions for a survivor's
16 insurance annuity and lump sum payment amount payable to a
17 survivors insurance beneficiary of a deceased Tier 2 member
18 shall be determined under the provisions of this Article
19 applicable to survivor's insurance beneficiaries of a deceased
20 Tier 1 member; however, the amount of a survivor's insurance
21 annuity, including the annual increases thereon, shall be
22 calculated pursuant to this Section. The initial survivor's
23 insurance annuity ~~benefit~~ of a survivors insurance beneficiary
24 of a Tier 2 annuitant ~~member~~ shall be in the amount of 66 2/3%
25 of the Tier 2 member's retirement annuity at the date of death.

1 In the case of the death of a Tier 2 member who has not retired,
2 eligibility for a survivor's insurance benefit shall be
3 determined by the applicable Section of this Article. The
4 initial benefit shall be 66 2/3% of the earned annuity without
5 a reduction due to age. A survivor's insurance annuity ~~and~~
6 shall be increased (1) on each January 1 occurring on or after
7 the commencement of the annuity if the deceased Tier 2 member
8 died while receiving a retirement annuity or (2) in other
9 cases, on each January 1 occurring after the first anniversary
10 of the commencement of the benefit. Each annual increase shall
11 be calculated at 3% or one half the annual unadjusted
12 percentage increase (but not less than zero) in the consumer
13 price index-u for the 12 months ending with the September
14 preceding each November 1, whichever is less, of the originally
15 granted survivor's insurance annuity ~~benefit~~. If the annual
16 unadjusted percentage change in the consumer price index-u for
17 the 12 months ending with the September preceding each November
18 1 is zero or there is a decrease, then the survivor's insurance
19 annuity ~~benefit~~ shall not be increased. A beneficiary of a Tier
20 2 member who elects the Portable Benefit Package provided under
21 this Article shall not be eligible for the survivor's insurance
22 annuity ~~benefit~~ that is provided under this Section. If 2 or
23 more persons are eligible to receive survivor's insurance
24 annuities ~~benefits~~ as provided under this Section based on the
25 same deceased Tier 2 member, the calculation of the survivor's
26 insurance annuities ~~benefits~~ shall be based on the total

1 calculation of the survivor's insurance annuity benefit and
2 divided pro rata. The changes made to this Section by this
3 amendatory Act of the 98th General Assembly are a clarification
4 of existing law and are intended to be retroactive to the
5 effective date of Public Act 96-889, notwithstanding the
6 provisions of Section 1-103.1 of this Code.

7 (Source: P.A. 98-92, eff. 7-16-13.)

8 Section 999. Effective date. This Act takes effect upon
9 becoming law.".