

1 AN ACT concerning 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 changing
5 Sections 2-114, 14-103.19, 18-116, and 21-105.1 and by adding
6 Sections 2-155.1, 2-163, 14-148.1, 14-153.3, 18-162.1, and
7 18-170 as follows:

8 (40 ILCS 5/2-114) (from Ch. 108 1/2, par. 2-114)

9 Sec. 2-114. Actuarial tables.

10 "Actuarial tables": Tabular listings of assumed rates of
11 death, disability, retirement and withdrawal from service and
12 mathematical functions derived from such rates combined with an
13 assumed rate of interest based upon the experience of the
14 system as adopted by the board upon recommendation of the
15 actuary.

16 The adopted actuarial tables shall be used to determine the
17 amount of all benefits under this Article, including any
18 optional forms of benefits. Optional forms of benefits must be
19 the actuarial equivalent of the normal benefit payable under
20 this Article.

21 (Source: Laws 1963, p. 161.)

22 (40 ILCS 5/2-155.1 new)

1 Sec. 2-155.1. Mistake in benefit. If the System mistakenly
2 sets any benefit at an incorrect amount, it shall recalculate
3 the benefit as soon as may be practicable after the mistake is
4 discovered.

5 If the benefit was mistakenly set too low, the System shall
6 make a lump sum payment to the recipient of an amount equal to
7 the difference between the benefits that should have been paid
8 and those actually paid.

9 If the benefit was mistakenly set too high, the System may
10 recover the amount overpaid from the recipient thereof, either
11 directly or by deducting such amount from the remaining
12 benefits payable to the recipient. However, if (1) the amount
13 of the benefit was mistakenly set too high, and (2) the error
14 was undiscovered for 3 years or longer, and (3) the error was
15 not the result of incorrect information supplied by the
16 affected member or beneficiary, then upon discovery of the
17 mistake the benefit shall be adjusted to the correct level, but
18 the recipient of the benefit need not repay to the System the
19 excess amounts received in error.

20 (40 ILCS 5/2-163 new)

21 Sec. 2-163. Termination of plan. Upon plan termination, a
22 participant's interest in the pension fund will be
23 nonforfeitable.

24 (40 ILCS 5/14-103.19) (from Ch. 108 1/2, par. 14-103.19)

1 Sec. 14-103.19. Actuarial tables. "Actuarial tables":
2 Tables of mathematical functions derived from mortality,
3 disability and turn-over rates, combined with interest
4 discount factors as adopted by the board on recommendation of
5 the actuary.

6 The adopted actuarial tables shall be used to determine the
7 amount of all benefits under this Article, including any
8 optional forms of benefits. Optional forms of benefits must be
9 the actuarial equivalent of the normal benefit payable under
10 this Article.

11 (Source: P.A. 80-841.)

12 (40 ILCS 5/14-148.1 new)

13 Sec. 14-148.1. Mistake in benefit. If the System mistakenly
14 sets any benefit at an incorrect amount, it shall recalculate
15 the benefit as soon as may be practicable after the mistake is
16 discovered.

17 If the benefit was mistakenly set too low, the System shall
18 make a lump sum payment to the recipient of an amount equal to
19 the difference between the benefits that should have been paid
20 and those actually paid.

21 If the benefit was mistakenly set too high, the System may
22 recover the amount overpaid from the recipient thereof, either
23 directly or by deducting such amount from the remaining
24 benefits payable to the recipient. However, if (1) the amount
25 of the benefit was mistakenly set too high, and (2) the error

1 was undiscovered for 3 years or longer, and (3) the error was
2 not the result of incorrect information supplied by the
3 affected member or beneficiary, then upon discovery of the
4 mistake the benefit shall be adjusted to the correct level, but
5 the recipient of the benefit need not repay to the System the
6 excess amounts received in error.

7 (40 ILCS 5/14-153.3 new)

8 Sec. 14-153.3. Termination of plan. Upon plan termination,
9 a member's interest in the pension fund will be nonforfeitable.

10 (40 ILCS 5/18-116) (from Ch. 108 1/2, par. 18-116)

11 Sec. 18-116. Actuarial tables.

12 "Actuarial tables": Such tabular listings of assumed rates
13 of death, disability, retirement and withdrawal from service
14 and mathematical functions derived from such rates combined
15 with an assumed rate of interest, based upon the experience of
16 the system, as adopted by the board upon recommendation by the
17 actuary.

18 The adopted actuarial tables shall be used to determine the
19 amount of all benefits under this Article, including any
20 optional forms of benefits. Optional forms of benefits must be
21 the actuarial equivalent of the normal benefit payable under
22 this Article.

23 (Source: Laws 1963, p. 161.)

1 (40 ILCS 5/18-162.1 new)

2 Sec. 18-162.1. Mistake in benefit. If the System mistakenly
3 sets any benefit at an incorrect amount, it shall recalculate
4 the benefit as soon as may be practicable after the mistake is
5 discovered.

6 If the benefit was mistakenly set too low, the System shall
7 make a lump sum payment to the recipient of an amount equal to
8 the difference between the benefits that should have been paid
9 and those actually paid.

10 If the benefit was mistakenly set too high, the System may
11 recover the amount overpaid from the recipient thereof, either
12 directly or by deducting such amount from the remaining
13 benefits payable to the recipient. However, if (1) the amount
14 of the benefit was mistakenly set too high, and (2) the error
15 was undiscovered for 3 years or longer, and (3) the error was
16 not the result of incorrect information supplied by the
17 affected member or beneficiary, then upon discovery of the
18 mistake the benefit shall be adjusted to the correct level, but
19 the recipient of the benefit need not repay to the System the
20 excess amounts received in error.

21 (40 ILCS 5/18-170 new)

22 Sec. 18-170. Termination of plan. Upon plan termination, a
23 participant's interest in the pension fund will be
24 nonforfeitable.

1 (40 ILCS 5/21-105.1) (from Ch. 108 1/2, par. 21-105.1)

2 Sec. 21-105.1. Election of optional medicare coverage. The
3 State or any political subdivision or noncorporate public
4 entity may elect to provide optional medicare coverage for its
5 personnel in the same manner and subject to the same conditions
6 as are set forth in Sections 21-103, 21-104 and 21-105 for the
7 election of Social Security coverage, including a retirement
8 system established under Article 3, 4, 5, or 6 of this Code,
9 notwithstanding the provisions contained in Section 21-105 of
10 this Article.

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

12 Section 99. Effective date. This Act takes effect upon
13 becoming law.