

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 5. The Illinois Pension Code is amended by
5 changing Sections 14-103.05, 14-104.6, 14-106, 14-108,
6 14-110, 14-114, 14-133, 16-106, and 16-131.6 and adding
7 Section 14-108.2c as follows:

8 (40 ILCS 5/14-103.05) (from Ch. 108 1/2, par. 14-103.05)
9 Sec. 14-103.05. Employee.

10 (a) Any person employed by a Department who receives
11 salary for personal services rendered to the Department on a
12 warrant issued pursuant to a payroll voucher certified by a
13 Department and drawn by the State Comptroller upon the State
14 Treasurer, including an elected official described in
15 subparagraph (d) of Section 14-104, shall become an employee
16 for purpose of membership in the Retirement System on the
17 first day of such employment.

18 A person entering service on or after January 1, 1972 and
19 prior to January 1, 1984 shall become a member as a condition
20 of employment and shall begin making contributions as of the
21 first day of employment.

22 A person entering service on or after January 1, 1984
23 shall, upon completion of 6 months of continuous service
24 which is not interrupted by a break of more than 2 months,
25 become a member as a condition of employment. Contributions
26 shall begin the first of the month after completion of the
27 qualifying period.

28 The qualifying period of 6 months of service is not
29 applicable to: (1) a person who has been granted credit for
30 service in a position covered by the State Universities
31 Retirement System, the Teachers' Retirement System of the

1 State of Illinois, the General Assembly Retirement System, or
2 the Judges Retirement System of Illinois unless that service
3 has been forfeited under the laws of those systems; (2) a
4 person entering service on or after July 1, 1991 in a
5 noncovered position; or (3) a person to whom Section
6 14-108.2a or 14-108.2b applies.

7 (b) The term "employee" does not include the following:

8 (1) members of the State Legislature, and persons
9 electing to become members of the General Assembly
10 Retirement System pursuant to Section 2-105;

11 (2) incumbents of offices normally filled by vote
12 of the people;

13 (3) except as otherwise provided in this Section,
14 any person appointed by the Governor with the advice and
15 consent of the Senate unless that person elects to
16 participate in this system;

17 (4) except as provided in Section 14-108.2 or
18 14-108.2c, any person who is covered or eligible to be
19 covered by the Teachers' Retirement System of the State
20 of Illinois, the State Universities Retirement System, or
21 the Judges Retirement System of Illinois;

22 (5) an employee of a municipality or any other
23 political subdivision of the State;

24 (6) any person who becomes an employee after June
25 30, 1979 as a public service employment program
26 participant under the Federal Comprehensive Employment
27 and Training Act and whose wages or fringe benefits are
28 paid in whole or in part by funds provided under such
29 Act;

30 (7) enrollees of the Illinois Young Adult
31 Conservation Corps program, administered by the
32 Department of Natural Resources, authorized grantee
33 pursuant to Title VIII of the "Comprehensive Employment
34 and Training Act of 1973", 29 USC 993, as now or

1 hereafter amended;

2 (8) enrollees and temporary staff of programs
3 administered by the Department of Natural Resources under
4 the Youth Conservation Corps Act of 1970;

5 (9) any person who is a member of any professional
6 licensing or disciplinary board created under an Act
7 administered by the Department of Professional Regulation
8 or a successor agency or created or re-created after the
9 effective date of this amendatory Act of 1997, and who
10 receives per diem compensation rather than a salary,
11 notwithstanding that such per diem compensation is paid
12 by warrant issued pursuant to a payroll voucher; such
13 persons have never been included in the membership of
14 this System, and this amendatory Act of 1987 (P.A.
15 84-1472) is not intended to effect any change in the
16 status of such persons;

17 (10) any person who is a member of the Illinois
18 Health Care Cost Containment Council, and receives per
19 diem compensation rather than a salary, notwithstanding
20 that such per diem compensation is paid by warrant issued
21 pursuant to a payroll voucher; such persons have never
22 been included in the membership of this System, and this
23 amendatory Act of 1987 is not intended to effect any
24 change in the status of such persons; or

25 (11) any person who is a member of the Oil and Gas
26 Board created by Section 1.2 of the Illinois Oil and Gas
27 Act, and receives per diem compensation rather than a
28 salary, notwithstanding that such per diem compensation
29 is paid by warrant issued pursuant to a payroll voucher.

30 (Source: P.A. 89-246; eff. 8-4-95; 89-445, eff. 2-7-96;
31 90-448, eff. 8-16-97.)

32 (40 ILCS 5/14-104.6) (from Ch. 108 1/2, par. 14-104.6)
33 Sec. 14-104.6. Service transferred from Article 16.

1 Service also includes the following:

2 (a) Any period as a teacher employed by the Department
3 of Corrections for which credit was established under Article
4 16 of this Code, subject to the following conditions: (1) the
5 credits accrued for such employment under Article 16 have
6 been transferred to this System; and (2) the participant has
7 contributed to this System an amount equal to (A) employee
8 contributions at the rate in effect for noncoordinated
9 eligible creditable service at the date of membership in this
10 System, based upon the salary in effect during such period of
11 service, plus (B) the employer's share of the normal cost
12 under this System for each year that credit is being
13 established, based on the salary in effect during such period
14 of service, plus (C) regular interest, compounded annually,
15 from July 1, 1987 to the date of payment, less (D) the amount
16 transferred on behalf of the participant under Section
17 16-131.6.

18 (b) Any period as a security employee of the Department
19 of Human Services, as defined in Section 14-110, for which
20 credit was established under Article 16 of this Code, subject
21 to the following conditions: (1) the credits accrued for that
22 employment under Article 16 have been transferred to this
23 System; and (2) the participant has contributed to this
24 System an amount equal to (A) employee contributions at the
25 rate in effect for noncoordinated eligible creditable service
26 at the date of membership in this System, based upon the
27 salary in effect during the period of service, plus (B) the
28 employer's share of the normal cost under this System for
29 each year that credit is being established, based on the
30 salary in effect during the period of service, plus (C)
31 regular interest, compounded annually, from July 1, 2001 to
32 the date of payment, less (D) the amount transferred on
33 behalf of the participant under Section 16-131.6.

34 (c) Credit established under this Section shall be

1 deemed noncoordinated eligible creditable service as defined
2 in Section 14-110.

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

4 (40 ILCS 5/14-106) (from Ch. 108 1/2, par. 14-106)
5 Sec. 14-106. Membership service credit.

6 (a) After January 1, 1944, all service of a member since
7 he last became a member with respect to which contributions
8 are made shall count as membership service; provided, that
9 for service on and after July 1, 1950, 12 months of service
10 shall constitute a year of membership service, the completion
11 of 15 days or more of service during any month shall
12 constitute 1 month of membership service, 8 to 15 days shall
13 constitute 1/2 month of membership service and less than 8
14 days shall constitute 1/4 month of membership service. The
15 payroll record of each department shall constitute conclusive
16 evidence of the record of service rendered by a member.

17 (b) For a member who is employed and paid on an
18 academic-year basis rather than on a 12-month annual basis,
19 employment for a full academic year shall constitute a full
20 year of membership service, except that the member shall not
21 receive more than one year of membership service credit (plus
22 any additional service credit granted for unused sick leave)
23 for service during any 12-month period. This subsection (b)
24 applies to all such service for which the member has not
25 begun to receive a retirement annuity before January 1, 2001.

26 (c) A member shall be entitled to additional service
27 credit, under rules prescribed by the Board, for accumulated
28 unused sick leave credited to his account in the last
29 Department on the date of withdrawal from service or for any
30 period for which he would have been eligible to receive
31 benefits under a sick pay plan authorized by law, if he had
32 suffered a sickness or accident on the date of withdrawal
33 from service. It shall be the responsibility of the last

1 Department to certify to the Board the length of time salary
2 or benefits would have been paid to the member based upon the
3 accumulated unused sick leave or the applicable sick pay plan
4 if he had become entitled thereto because of sickness on the
5 date that his status as an employee terminated. This period
6 of service credit granted under this paragraph shall not be
7 considered in determining the date the retirement annuity is
8 to begin, or final average compensation.

9 (Source: P.A. 87-1265.)

10 (40 ILCS 5/14-108) (from Ch. 108 1/2, par. 14-108)

11 Sec. 14-108. Amount of retirement annuity. A member who
12 has contributed to the System for at least 12 months shall be
13 entitled to a prior service annuity for each year of
14 certified prior service credited to him, except that a member
15 shall receive 1/3 of the prior service annuity for each year
16 of service for which contributions have been made and all of
17 such annuity shall be payable after the member has made
18 contributions for a period of 3 years. Proportionate amounts
19 shall be payable for service of less than a full year after
20 completion of at least 12 months.

21 The total period of service to be considered in
22 establishing the measure of prior service annuity shall
23 include service credited in the Teachers' Retirement System
24 of the State of Illinois and the State Universities
25 Retirement System for which contributions have been made by
26 the member to such systems; provided that at least 1 year of
27 the total period of 3 years prescribed for the allowance of a
28 full measure of prior service annuity shall consist of
29 membership service in this system for which credit has been
30 granted.

31 (a) In the case of a member who retires on or after
32 January 1, 1998 and is a noncovered employee, the retirement
33 annuity for membership service and prior service shall be

1 2.2% of final average compensation for each year of service.
2 Any service credit established as a covered employee shall be
3 computed as stated in paragraph (b).

4 (b) In the case of a member who retires on or after
5 January 1, 1998 and is a covered employee, the retirement
6 annuity for membership service and prior service shall be
7 computed as stated in paragraph (a) for all service credit
8 established as a noncovered employee; for service credit
9 established as a covered employee it shall be 1.67% of final
10 average compensation for each year of service.

11 (c) For a member retiring after attaining age 55 but
12 before age 60 with at least 30 but less than 35 years of
13 creditable service if retirement is before January 1, 2001,
14 or with at least 25 but less than 30 years of creditable
15 service if retirement is on or after January 1, 2001, the
16 retirement annuity shall be reduced by 1/2 of 1% for each
17 month that the member's age is under age 60 at the time of
18 retirement.

19 (d) A retirement annuity shall not exceed 75% of final
20 average compensation, subject to such extension as may result
21 from the application of Section 14-114 or Section 14-115.

22 (e) The retirement annuity payable to any covered
23 employee who is a member of the System and in service on
24 January 1, 1969, or in service thereafter in 1969 as a result
25 of legislation enacted by the Illinois General Assembly
26 transferring the member to State employment from county
27 employment in a county Department of Public Aid in counties
28 of 3,000,000 or more population, under a plan of coordination
29 with the Old Age, Survivors and Disability provisions
30 thereof, if not fully insured for Old Age Insurance payments
31 under the Federal Old Age, Survivors and Disability Insurance
32 provisions at the date of acceptance of a retirement annuity,
33 shall not be less than the amount for which the member would
34 have been eligible if coordination were not applicable.

1 (f) The retirement annuity payable to any covered
2 employee who is a member of the System and in service on
3 January 1, 1969, or in service thereafter in 1969 as a result
4 of the legislation designated in the immediately preceding
5 paragraph, if fully insured for Old Age Insurance payments
6 under the Federal Social Security Act at the date of
7 acceptance of a retirement annuity, shall not be less than an
8 amount which when added to the Primary Insurance Benefit
9 payable to the member upon attainment of age 65 under such
10 Federal Act, will equal the annuity which would otherwise be
11 payable if the coordinated plan of coverage were not
12 applicable.

13 (g) In the case of a member who is a noncovered
14 employee, the retirement annuity for membership service as a
15 security employee of the Department of Corrections or
16 security employee of the Department of Human Services shall
17 be: if retirement occurs on or after January 1, 2001, 3% of
18 final average compensation for each year of creditable
19 service; or if retirement occurs before January 1, 2001, 1.9%
20 of final average compensation for each of the first 10 years
21 of service, 2.1% for each of the next 10 years of service,
22 2.25% for each year of service in excess of 20 but not
23 exceeding 30, and 2.5% for each year in excess of 30; except
24 that the annuity may be calculated under subsection (a)
25 rather than this subsection (g) if the resulting annuity is
26 greater.

27 (h) In the case of a member who is a covered employee,
28 the retirement annuity for membership service as a security
29 employee of the Department of Corrections or security
30 employee of the Department of Human Services shall be: if
31 retirement occurs on or after January 1, 2001, 2.5% of final
32 average compensation for each year of creditable service; if
33 retirement occurs before January 1, 2001, 1.67% of final
34 average compensation for each of the first 10 years of

1 service, 1.90% for each of the next 10 years of service,
2 2.10% for each year of service in excess of 20 but not
3 exceeding 30, and 2.30% for each year in excess of 30.

4 (i) For the purposes of this Section and Section 14-133
5 of this Act, the term "security employee of the Department of
6 Corrections" and the term "security employee of the
7 Department of Human Services" shall have the meanings
8 ascribed to them in subsection (c) of Section 14-110.

9 (j) The retirement annuity computed pursuant to
10 paragraphs (g) or (h) shall be applicable only to those
11 security employees of the Department of Corrections and
12 security employees of the Department of Human Services who
13 have at least 20 years of membership service and who are not
14 eligible for the alternative retirement annuity provided
15 under Section 14-110. However, persons transferring to this
16 System under Section 14-108.2 or 14-108.2c who have service
17 credit under Article 16 of this Code may count such service
18 toward establishing their eligibility under the 20-year
19 service requirement of this subsection; but such service may
20 be used only for establishing such eligibility, and not for
21 the purpose of increasing or calculating any benefit.

22 (k) (Blank).

23 (l) The changes to this Section made by this amendatory
24 Act of 1997 (changing certain retirement annuity formulas
25 from a stepped rate to a flat rate) apply to members who
26 retire on or after January 1, 1998, without regard to whether
27 employment terminated before the effective date of this
28 amendatory Act of 1997. An annuity shall not be calculated
29 in steps by using the new flat rate for some steps and the
30 superseded stepped rate for other steps of the same type of
31 service.

32 (Source: P.A. 90-65, eff. 7-7-97; 90-448, eff. 8-16-97;
33 90-655, eff. 7-30-98; 91-927, eff. 12-14-00.)

1 (40 ILCS 5/14-108.2c new)

2 Sec. 14-108.2c. Transfer of membership from TRS. A
3 security employee of the Department of Human Services, as
4 defined in Section 14-110, who is a member of the Teachers'
5 Retirement System established under Article 16 of this Code
6 may elect to become a member of this System on either June 1,
7 2001 or July 1, 2001 by notifying the Board of the election
8 in writing on or before May 31, 2001.

9 For persons electing to become covered employees,
10 participation in the Article 16 system shall terminate on
11 June 1, 2001, and membership in this System shall begin on
12 that date.

13 For persons electing to become noncovered employees,
14 participation in the Article 16 system shall terminate on
15 July 1, 2001, and membership in this System shall begin on
16 that date.

17 (40 ILCS 5/14-110) (from Ch. 108 1/2, par. 14-110)

18 Sec. 14-110. Alternative retirement annuity.

19 (a) Any member who has withdrawn from service with not
20 less than 20 years of eligible creditable service and has
21 attained age 55, and any member who has withdrawn from
22 service with not less than 25 years of eligible creditable
23 service and has attained age 50, regardless of whether the
24 attainment of either of the specified ages occurs while the
25 member is still in service, shall be entitled to receive at
26 the option of the member, in lieu of the regular or minimum
27 retirement annuity, a retirement annuity computed as
28 follows:

29 (i) for periods of service as a noncovered
30 employee: if retirement occurs on or after January 1,
31 2001, 3% of final average compensation for each year of
32 creditable service; if retirement occurs before January
33 1, 2001, 2 1/4% of final average compensation for each of

1 the first 10 years of creditable service, 2 1/2% for each
 2 year above 10 years to and including 20 years of
 3 creditable service, and 2 3/4% for each year of
 4 creditable service above 20 years; and

5 (ii) for periods of eligible creditable service as
 6 a covered employee: if retirement occurs on or after
 7 January 1, 2001, 2.5% of final average compensation for
 8 each year of creditable service; if retirement occurs
 9 before January 1, 2001, 1.67% of final average
 10 compensation for each of the first 10 years of such
 11 service, 1.90% for each of the next 10 years of such
 12 service, 2.10% for each year of such service in excess of
 13 20 but not exceeding 30, and 2.30% for each year in
 14 excess of 30.

15 Such annuity shall be subject to a maximum of 75% of
 16 final average compensation if retirement occurs before
 17 January 1, 2001 or to a maximum of 80% of final average
 18 compensation if retirement occurs on or after January 1,
 19 2001.

20 These rates shall not be applicable to any service
 21 performed by a member as a covered employee which is not
 22 eligible creditable service. Service as a covered employee
 23 which is not eligible creditable service shall be subject to
 24 the rates and provisions of Section 14-108.

25 (b) For the purpose of this Section, "eligible
 26 creditable service" means creditable service resulting from
 27 service in one or more of the following positions:

- 28 (1) State policeman;
- 29 (2) fire fighter in the fire protection service of
 30 a department;
- 31 (3) air pilot;
- 32 (4) special agent;
- 33 (5) investigator for the Secretary of State;
- 34 (6) conservation police officer;

- 1 (7) investigator for the Department of Revenue;
- 2 (8) security employee of the Department of Human
- 3 Services;
- 4 (9) Central Management Services security police
- 5 officer;
- 6 (10) security employee of the Department of
- 7 Corrections;
- 8 (11) dangerous drugs investigator;
- 9 (12) investigator for the Department of State
- 10 Police;
- 11 (13) investigator for the Office of the Attorney
- 12 General;
- 13 (14) controlled substance inspector;
- 14 (15) investigator for the Office of the State's
- 15 Attorneys Appellate Prosecutor;
- 16 (16) Commerce Commission police officer;
- 17 (17) arson investigator.

18 A person employed in one of the positions specified in
19 this subsection is entitled to eligible creditable service
20 for service credit earned under this Article while undergoing
21 the basic police training course approved by the Illinois Law
22 Enforcement Training Standards Board, if completion of that
23 training is required of persons serving in that position.
24 For the purposes of this Code, service during the required
25 basic police training course shall be deemed performance of
26 the duties of the specified position, even though the person
27 is not a sworn peace officer at the time of the training.

28 (c) For the purposes of this Section:

29 (1) The term "state policeman" includes any title
30 or position in the Department of State Police that is
31 held by an individual employed under the State Police
32 Act.

33 (2) The term "fire fighter in the fire protection
34 service of a department" includes all officers in such

1 fire protection service including fire chiefs and
2 assistant fire chiefs.

3 (3) The term "air pilot" includes any employee
4 whose official job description on file in the Department
5 of Central Management Services, or in the department by
6 which he is employed if that department is not covered by
7 the Personnel Code, states that his principal duty is the
8 operation of aircraft, and who possesses a pilot's
9 license; however, the change in this definition made by
10 this amendatory Act of 1983 shall not operate to exclude
11 any noncovered employee who was an "air pilot" for the
12 purposes of this Section on January 1, 1984.

13 (4) The term "special agent" means any person who
14 by reason of employment by the Division of Narcotic
15 Control, the Bureau of Investigation or, after July 1,
16 1977, the Division of Criminal Investigation, the
17 Division of Internal Investigation, the Division of
18 Operations, or any other Division or organizational
19 entity in the Department of State Police is vested by law
20 with duties to maintain public order, investigate
21 violations of the criminal law of this State, enforce the
22 laws of this State, make arrests and recover property.
23 The term "special agent" includes any title or position
24 in the Department of State Police that is held by an
25 individual employed under the State Police Act.

26 (5) The term "investigator for the Secretary of
27 State" means any person employed by the Office of the
28 Secretary of State and vested with such investigative
29 duties as render him ineligible for coverage under the
30 Social Security Act by reason of Sections 218(d)(5)(A),
31 218(d)(8)(D) and 218(1)(1) of that Act.

32 A person who became employed as an investigator for
33 the Secretary of State between January 1, 1967 and
34 December 31, 1975, and who has served as such until

1 attainment of age 60, either continuously or with a
2 single break in service of not more than 3 years
3 duration, which break terminated before January 1, 1976,
4 shall be entitled to have his retirement annuity
5 calculated in accordance with subsection (a),
6 notwithstanding that he has less than 20 years of credit
7 for such service.

8 (6) The term "Conservation Police Officer" means
9 any person employed by the Division of Law Enforcement of
10 the Department of Natural Resources and vested with such
11 law enforcement duties as render him ineligible for
12 coverage under the Social Security Act by reason of
13 Sections 218(d)(5)(A), 218(d)(8)(D), and 218(l)(1) of
14 that Act. The term "Conservation Police Officer"
15 includes the positions of Chief Conservation Police
16 Administrator and Assistant Conservation Police
17 Administrator.

18 (7) The term "investigator for the Department of
19 Revenue" means any person employed by the Department of
20 Revenue and vested with such investigative duties as
21 render him ineligible for coverage under the Social
22 Security Act by reason of Sections 218(d)(5)(A),
23 218(d)(8)(D) and 218(l)(1) of that Act.

24 (8) The term "security employee of the Department
25 of Human Services" means any person employed by the
26 Department of Human Services who (i) is employed at the
27 Chester Mental Health Center and has daily contact with
28 the residents thereof, (ii) is employed within a security
29 unit at a facility operated by the Department and has
30 daily contact with the residents of the security unit,
31 (iii) is employed at a facility operated by the
32 Department that includes a security unit and is regularly
33 scheduled to work at least 50% of his or her working
34 hours within that security unit, or (iv) who is a mental

1 health police officer. "Mental health police officer"
2 means any person employed by the Department of Human
3 Services in a position pertaining to the Department's
4 mental health and developmental disabilities functions
5 who is vested with such law enforcement duties as render
6 the person ineligible for coverage under the Social
7 Security Act by reason of Sections 218(d)(5)(A),
8 218(d)(8)(D) and 218(1)(1) of that Act. "Security unit"
9 means that portion of a facility that is devoted to the
10 care, containment, and treatment of persons committed to
11 the Department of Human Services as sexually violent
12 persons, persons unfit to stand trial, or persons not
13 guilty by reason of insanity. With respect to past
14 employment, references to the Department of Human
15 Services include its predecessor, the Department of
16 Mental Health and Developmental Disabilities.

17 The changes made to this subdivision (c)(8) by this
18 amendatory Act of the 92nd General Assembly apply to
19 persons who retire on or after January 1, 2001,
20 notwithstanding Section 1-103.1.

21 (9) "Central Management Services security police
22 officer" means any person employed by the Department of
23 Central Management Services who is vested with such law
24 enforcement duties as render him ineligible for coverage
25 under the Social Security Act by reason of Sections
26 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act.

27 (10) The term "security employee of the Department
28 of Corrections" means any employee of the Department of
29 Corrections or the former Department of Personnel, and
30 any member or employee of the Prisoner Review Board, who
31 has daily contact with inmates by working within a
32 correctional facility or who is a parole officer or an
33 employee who has direct contact with committed persons in
34 the performance of his or her job duties.

1 (11) The term "dangerous drugs investigator" means
2 any person who is employed as such by the Department of
3 Human Services.

4 (12) The term "investigator for the Department of
5 State Police" means a person employed by the Department
6 of State Police who is vested under Section 4 of the
7 Narcotic Control Division Abolition Act with such law
8 enforcement powers as render him ineligible for coverage
9 under the Social Security Act by reason of Sections
10 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act.

11 (13) "Investigator for the Office of the Attorney
12 General" means any person who is employed as such by the
13 Office of the Attorney General and is vested with such
14 investigative duties as render him ineligible for
15 coverage under the Social Security Act by reason of
16 Sections 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that
17 Act. For the period before January 1, 1989, the term
18 includes all persons who were employed as investigators
19 by the Office of the Attorney General, without regard to
20 social security status.

21 (14) "Controlled substance inspector" means any
22 person who is employed as such by the Department of
23 Professional Regulation and is vested with such law
24 enforcement duties as render him ineligible for coverage
25 under the Social Security Act by reason of Sections
26 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act.
27 The term "controlled substance inspector" includes the
28 Program Executive of Enforcement and the Assistant
29 Program Executive of Enforcement.

30 (15) The term "investigator for the Office of the
31 State's Attorneys Appellate Prosecutor" means a person
32 employed in that capacity on a full time basis under the
33 authority of Section 7.06 of the State's Attorneys
34 Appellate Prosecutor's Act.

1 (16) "Commerce Commission police officer" means any
2 person employed by the Illinois Commerce Commission who
3 is vested with such law enforcement duties as render him
4 ineligible for coverage under the Social Security Act by
5 reason of Sections 218(d)(5)(A), 218(d)(8)(D), and
6 218(1)(1) of that Act.

7 (17) "Arson investigator" means any person who is
8 employed as such by the Office of the State Fire Marshal
9 and is vested with such law enforcement duties as render
10 the person ineligible for coverage under the Social
11 Security Act by reason of Sections 218(d)(5)(A),
12 218(d)(8)(D), and 218(1)(1) of that Act. A person who
13 was employed as an arson investigator on January 1, 1995
14 and is no longer in service but not yet receiving a
15 retirement annuity may convert his or her creditable
16 service for employment as an arson investigator into
17 eligible creditable service by paying to the System the
18 difference between the employee contributions actually
19 paid for that service and the amounts that would have
20 been contributed if the applicant were contributing at
21 the rate applicable to persons with the same social
22 security status earning eligible creditable service on
23 the date of application.

24 (d) A security employee of the Department of
25 Corrections, and a security employee of the Department of
26 Human Services who is not a mental health police officer,
27 shall not be eligible for the alternative retirement annuity
28 provided by this Section unless he or she meets the following
29 minimum age and service requirements at the time of
30 retirement:

31 (i) 25 years of eligible creditable service and age
32 55; or

33 (ii) beginning January 1, 1987, 25 years of
34 eligible creditable service and age 54, or 24 years of

- 1 eligible creditable service and age 55; or
- 2 (iii) beginning January 1, 1988, 25 years of
- 3 eligible creditable service and age 53, or 23 years of
- 4 eligible creditable service and age 55; or
- 5 (iv) beginning January 1, 1989, 25 years of
- 6 eligible creditable service and age 52, or 22 years of
- 7 eligible creditable service and age 55; or
- 8 (v) beginning January 1, 1990, 25 years of eligible
- 9 creditable service and age 51, or 21 years of eligible
- 10 creditable service and age 55; or
- 11 (vi) beginning January 1, 1991, 25 years of
- 12 eligible creditable service and age 50, or 20 years of
- 13 eligible creditable service and age 55.

14 Persons who have service credit under Article 16 of this
 15 Code for service as a security employee of the Department of
 16 Corrections or the Department of Human Services in a position
 17 requiring certification as a teacher may count such service
 18 toward establishing their eligibility under the service
 19 requirements of this Section; but such service may be used
 20 only for establishing such eligibility, and not for the
 21 purpose of increasing or calculating any benefit.

22 (e) If a member enters military service while working in
 23 a position in which eligible creditable service may be
 24 earned, and returns to State service in the same or another
 25 such position, and fulfills in all other respects the
 26 conditions prescribed in this Article for credit for military
 27 service, such military service shall be credited as eligible
 28 creditable service for the purposes of the retirement annuity
 29 prescribed in this Section.

30 (f) For purposes of calculating retirement annuities
 31 under this Section, periods of service rendered after
 32 December 31, 1968 and before October 1, 1975 as a covered
 33 employee in the position of special agent, conservation
 34 police officer, mental health police officer, or investigator

1 for the Secretary of State, shall be deemed to have been
2 service as a noncovered employee, provided that the employee
3 pays to the System prior to retirement an amount equal to (1)
4 the difference between the employee contributions that would
5 have been required for such service as a noncovered employee,
6 and the amount of employee contributions actually paid, plus
7 (2) if payment is made after July 31, 1987, regular interest
8 on the amount specified in item (1) from the date of service
9 to the date of payment.

10 For purposes of calculating retirement annuities under
11 this Section, periods of service rendered after December 31,
12 1968 and before January 1, 1982 as a covered employee in the
13 position of investigator for the Department of Revenue shall
14 be deemed to have been service as a noncovered employee,
15 provided that the employee pays to the System prior to
16 retirement an amount equal to (1) the difference between the
17 employee contributions that would have been required for such
18 service as a noncovered employee, and the amount of employee
19 contributions actually paid, plus (2) if payment is made
20 after January 1, 1990, regular interest on the amount
21 specified in item (1) from the date of service to the date of
22 payment.

23 (g) A State policeman may elect, not later than January
24 1, 1990, to establish eligible creditable service for up to
25 10 years of his service as a policeman under Article 3, by
26 filing a written election with the Board, accompanied by
27 payment of an amount to be determined by the Board, equal to
28 (i) the difference between the amount of employee and
29 employer contributions transferred to the System under
30 Section 3-110.5, and the amounts that would have been
31 contributed had such contributions been made at the rates
32 applicable to State policemen, plus (ii) interest thereon at
33 the effective rate for each year, compounded annually, from
34 the date of service to the date of payment.

1 Subject to the limitation in subsection (i), a State
2 policeman may elect, not later than July 1, 1993, to
3 establish eligible creditable service for up to 10 years of
4 his service as a member of the County Police Department under
5 Article 9, by filing a written election with the Board,
6 accompanied by payment of an amount to be determined by the
7 Board, equal to (i) the difference between the amount of
8 employee and employer contributions transferred to the System
9 under Section 9-121.10 and the amounts that would have been
10 contributed had those contributions been made at the rates
11 applicable to State policemen, plus (ii) interest thereon at
12 the effective rate for each year, compounded annually, from
13 the date of service to the date of payment.

14 (h) Subject to the limitation in subsection (i), a State
15 policeman or investigator for the Secretary of State may
16 elect to establish eligible creditable service for up to 12
17 years of his service as a policeman under Article 5, by
18 filing a written election with the Board on or before January
19 31, 1992, and paying to the System by January 31, 1994 an
20 amount to be determined by the Board, equal to (i) the
21 difference between the amount of employee and employer
22 contributions transferred to the System under Section 5-236,
23 and the amounts that would have been contributed had such
24 contributions been made at the rates applicable to State
25 policemen, plus (ii) interest thereon at the effective rate
26 for each year, compounded annually, from the date of service
27 to the date of payment.

28 Subject to the limitation in subsection (i), a State
29 policeman, conservation police officer, or investigator for
30 the Secretary of State may elect to establish eligible
31 creditable service for up to 10 years of service as a
32 sheriff's law enforcement employee under Article 7, by filing
33 a written election with the Board on or before January 31,
34 1993, and paying to the System by January 31, 1994 an amount

1 to be determined by the Board, equal to (i) the difference
2 between the amount of employee and employer contributions
3 transferred to the System under Section 7-139.7, and the
4 amounts that would have been contributed had such
5 contributions been made at the rates applicable to State
6 policemen, plus (ii) interest thereon at the effective rate
7 for each year, compounded annually, from the date of service
8 to the date of payment.

9 (i) The total amount of eligible creditable service
10 established by any person under subsections (g), (h), (j),
11 (k), and (l) of this Section shall not exceed 12 years.

12 (j) Subject to the limitation in subsection (i), an
13 investigator for the Office of the State's Attorneys
14 Appellate Prosecutor or a controlled substance inspector may
15 elect to establish eligible creditable service for up to 10
16 years of his service as a policeman under Article 3 or a
17 sheriff's law enforcement employee under Article 7, by filing
18 a written election with the Board, accompanied by payment of
19 an amount to be determined by the Board, equal to (1) the
20 difference between the amount of employee and employer
21 contributions transferred to the System under Section 3-110.6
22 or 7-139.8, and the amounts that would have been contributed
23 had such contributions been made at the rates applicable to
24 State policemen, plus (2) interest thereon at the effective
25 rate for each year, compounded annually, from the date of
26 service to the date of payment.

27 (k) Subject to the limitation in subsection (i) of this
28 Section, an alternative formula employee may elect to
29 establish eligible creditable service for periods spent as a
30 full-time law enforcement officer or full-time corrections
31 officer employed by the federal government or by a state or
32 local government located outside of Illinois, for which
33 credit is not held in any other public employee pension fund
34 or retirement system. To obtain this credit, the applicant

1 must file a written application with the Board by March 31,
2 1998, accompanied by evidence of eligibility acceptable to
3 the Board and payment of an amount to be determined by the
4 Board, equal to (1) employee contributions for the credit
5 being established, based upon the applicant's salary on the
6 first day as an alternative formula employee after the
7 employment for which credit is being established and the
8 rates then applicable to alternative formula employees, plus
9 (2) an amount determined by the Board to be the employer's
10 normal cost of the benefits accrued for the credit being
11 established, plus (3) regular interest on the amounts in
12 items (1) and (2) from the first day as an alternative
13 formula employee after the employment for which credit is
14 being established to the date of payment.

15 (1) Subject to the limitation in subsection (i), a
16 security employee of the Department of Corrections may elect,
17 not later than July 1, 1998, to establish eligible creditable
18 service for up to 10 years of his or her service as a
19 policeman under Article 3, by filing a written election with
20 the Board, accompanied by payment of an amount to be
21 determined by the Board, equal to (i) the difference between
22 the amount of employee and employer contributions transferred
23 to the System under Section 3-110.5, and the amounts that
24 would have been contributed had such contributions been made
25 at the rates applicable to security employees of the
26 Department of Corrections, plus (ii) interest thereon at the
27 effective rate for each year, compounded annually, from the
28 date of service to the date of payment.

29 (Source: P.A. 90-32, eff. 6-27-97; 91-357, eff. 7-29-99;
30 91-760, eff. 1-1-01.)

31 (40 ILCS 5/14-114) (from Ch. 108 1/2, par. 14-114)
32 Sec. 14-114. Automatic increase in retirement annuity.

33 (a) Any person receiving a retirement annuity under this

1 Article who retires having attained age 60, or who retires
2 before age 60 having at least 35 years of creditable service,
3 or who retires on or after January 1, 2001 at an age which,
4 when added to the number of years of his or her creditable
5 service, equals at least 85, shall, on January 1 next
6 following the first full year of retirement, have the amount
7 of the then fixed and payable monthly retirement annuity
8 increased 3%. Any person receiving a retirement annuity
9 under this Article who retires before attainment of age 60
10 and with less than (i) 35 years of creditable service if
11 retirement is before January 1, 2001, or (ii) the number of
12 years of creditable service which, when added to the member's
13 age, would equal 85, if retirement is on or after January 1,
14 2001, shall have the amount of the fixed and payable
15 retirement annuity increased by 3% on the January 1 occurring
16 on or next following (1) attainment of age 60, or (2) the
17 first anniversary of retirement, whichever occurs later.
18 However, for persons who receive the alternative retirement
19 annuity under Section 14-110, references in this subsection
20 (a) to attainment of age 60 shall be deemed to refer to
21 attainment of age 55. For a person receiving early
22 retirement incentives under Section 14-108.3 whose retirement
23 annuity began after January 1, 1992 pursuant to an extension
24 granted under subsection (e) of that Section, the first
25 anniversary of retirement shall be deemed to be January 1,
26 1993. For a person who retires on or after the effective
27 date of this amendatory Act of the 92nd General Assembly and
28 on or before the first day of the fourth calendar month
29 following the month in which this amendatory Act takes
30 effect, and whose retirement annuity is calculated, in whole
31 or in part, under Section 14-110 or subsection (g) or (h) of
32 Section 14-108, the first anniversary of retirement shall be
33 deemed to be January 1, 2002.

34 On each January 1 following the date of the initial

1 increase under this subsection, the employee's monthly
2 retirement annuity shall be increased by an additional 3%.

3 Beginning January 1, 1990, all automatic annual increases
4 payable under this Section shall be calculated as a
5 percentage of the total annuity payable at the time of the
6 increase, including previous increases granted under this
7 Article.

8 (b) The provisions of subsection (a) of this Section
9 shall be applicable to an employee only if the employee makes
10 the additional contributions required after December 31, 1969
11 for the purpose of the automatic increases for not less than
12 the equivalent of one full year. If an employee becomes an
13 annuitant before his additional contributions equal one full
14 year's contributions based on his salary at the date of
15 retirement, the employee may pay the necessary balance of the
16 contributions to the system, without interest, and be
17 eligible for the increasing annuity authorized by this
18 Section.

19 (c) The provisions of subsection (a) of this Section
20 shall not be applicable to any annuitant who is on retirement
21 on December 31, 1969, and thereafter returns to State
22 service, unless the member has established at least one year
23 of additional creditable service following reentry into
24 service.

25 (d) In addition to other increases which may be provided
26 by this Section, on January 1, 1981 any annuitant who was
27 receiving a retirement annuity on or before January 1, 1971
28 shall have his retirement annuity then being paid increased
29 \$1 per month for each year of creditable service. On January
30 1, 1982, any annuitant who began receiving a retirement
31 annuity on or before January 1, 1977, shall have his
32 retirement annuity then being paid increased \$1 per month for
33 each year of creditable service.

34 On January 1, 1987, any annuitant who began receiving a

1 retirement annuity on or before January 1, 1977, shall have
2 the monthly retirement annuity increased by an amount equal
3 to 8¢ per year of creditable service times the number of
4 years that have elapsed since the annuity began.

5 (e) Every person who receives the alternative retirement
6 annuity under Section 14-110 and who is eligible to receive
7 the 3% increase under subsection (a) on January 1, 1986,
8 shall also receive on that date a one-time increase in
9 retirement annuity equal to the difference between (1) his
10 actual retirement annuity on that date, including any
11 increases received under subsection (a), and (2) the amount
12 of retirement annuity he would have received on that date if
13 the amendments to subsection (a) made by Public Act 84-162
14 had been in effect since the date of his retirement.

15 (Source: P.A. 91-927, eff. 12-14-00.)

16 (40 ILCS 5/14-133) (from Ch. 108 1/2, par. 14-133)

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

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

21 (1) Covered employees, except as indicated below,
22 3.5% for retirement annuity, and 0.5% for a widow or
23 survivors annuity;

24 (2) Noncovered employees, except as indicated
25 below, 7% for retirement annuity and 1% for a widow or
26 survivors annuity;

27 (3) Noncovered employees serving in a position in
28 which "eligible creditable service" as defined in Section
29 14-110 may be earned, ~~8.5% for retirement annuity and~~ 1%
30 for a widow or survivors annuity plus the following
31 amount for retirement annuity: 8.5% through December 31,
32 2001; 9.5% in 2002; 10.5% in 2003; and 11.5% in 2004 and
33 thereafter;

1 (4) Covered employees serving in a position in
 2 which "eligible creditable service" as defined in Section
 3 14-110 may be earned, ~~5% for retirement annuity and~~ 0.5%
 4 for a widow or survivors annuity plus the following
 5 amount for retirement annuity: 5% through December 31,
 6 2001; 6% in 2002; 7% in 2003; and 8% in 2004 and
 7 thereafter;

8 (5) Each security employee of the Department of
 9 Corrections or of the Department of Human Services who is
 10 a covered employee, ~~5% for retirement annuity and~~ 0.5%
 11 for a widow or survivors annuity plus the following
 12 amount for retirement annuity: 5% through December 31,
 13 2001; 6% in 2002; 7% in 2003; and 8% in 2004 and
 14 thereafter;

15 (6) Each security employee of the Department of
 16 Corrections or of the Department of Human Services who is
 17 not a covered employee, ~~8.5% for retirement annuity and~~
 18 1% for a widow or survivors annuity plus the following
 19 amount for retirement annuity: 8.5% through December 31,
 20 2001; 9.5% in 2002; 10.5% in 2003; and 11.5% in 2004 and
 21 thereafter.

22 (b) Contributions shall be in the form of a deduction
 23 from compensation and shall be made notwithstanding that the
 24 compensation paid in cash to the employee shall be reduced
 25 thereby below the minimum prescribed by law or regulation.
 26 Each member is deemed to consent and agree to the deductions
 27 from compensation provided for in this Article, and shall
 28 receipt in full for salary or compensation.

29 (Source: P.A. 89-507, eff. 7-1-97; 90-448, eff. 8-16-97.)

30 (40 ILCS 5/16-106) (from Ch. 108 1/2, par. 16-106)

31 Sec. 16-106. Teacher. "Teacher": The following
 32 individuals, provided that, for employment prior to July 1,
 33 1990, they are employed on a full-time basis, or if not

1 full-time, on a permanent and continuous basis in a position
2 in which services are expected to be rendered for at least
3 one school term:

4 (1) Any educational, administrative, professional
5 or other staff employed in the public common schools
6 included within this system in a position requiring
7 certification under the law governing the certification
8 of teachers;

9 (2) Any educational, administrative, professional
10 or other staff employed in any facility of the Department
11 of Children and Family Services or the Department of
12 Human Services, in a position requiring certification
13 under the law governing the certification of teachers,
14 and any person who (i) works in such a position for the
15 Department of Corrections, (ii) was a member of this
16 System on May 31, 1987, and (iii) did not elect to become
17 a member of the State Employees' Retirement System
18 pursuant to Section 14-108.2 of this Code; except that
19 "teacher" does not include any person who (A) becomes a
20 security employee of the Department of Human Services, as
21 defined in Section 14-110, after the effective date of
22 this amendatory Act of the 92nd General Assembly, or (B)
23 becomes a member of the State Employees' Retirement
24 System pursuant to Section 14-108.2c of this Code;

25 (3) Any regional superintendent of schools,
26 assistant regional superintendent of schools, State
27 Superintendent of Education; any person employed by the
28 State Board of Education as an executive; any executive
29 of the boards engaged in the service of public common
30 school education in school districts covered under this
31 system of which the State Superintendent of Education is
32 an ex-officio member;

33 (4) Any employee of a school board association
34 operating in compliance with Article 23 of the School

1 Code who is certificated under the law governing the
2 certification of teachers;

3 (5) Any person employed by the retirement system as
4 an executive, and any person employed by the retirement
5 system who is certificated under the law governing the
6 certification of teachers;

7 (6) Any educational, administrative, professional
8 or other staff employed by and under the supervision and
9 control of a regional superintendent of schools, provided
10 such employment position requires the person to be
11 certificated under the law governing the certification of
12 teachers and is in an educational program serving 2 or
13 more districts in accordance with a joint agreement
14 authorized by the School Code or by federal legislation;

15 (7) Any educational, administrative, professional
16 or other staff employed in an educational program
17 serving 2 or more school districts in accordance with a
18 joint agreement authorized by the School Code or by
19 federal legislation and in a position requiring
20 certification under the laws governing the certification
21 of teachers;

22 (8) Any officer or employee of a statewide teacher
23 organization or officer of a national teacher
24 organization who is certified under the law governing
25 certification of teachers, provided: (i) the individual
26 had previously established creditable service under this
27 Article, (ii) the individual files with the system an
28 irrevocable election to become a member, and (iii) the
29 individual does not receive credit for such service under
30 any other Article of this Code;

31 (9) Any educational, administrative, professional,
32 or other staff employed in a charter school operating in
33 compliance with the Charter Schools Law who is
34 certificated under the law governing the certification of

1 teachers.

2 An annuitant receiving a retirement annuity under this
3 Article or under Article 17 of this Code who is temporarily
4 employed by a board of education or other employer not
5 exceeding that permitted under Section 16-118 is not a
6 "teacher" for purposes of this Article. A person who has
7 received a single-sum retirement benefit under Section
8 16-136.4 of this Article is not a "teacher" for purposes of
9 this Article.

10 (Source: P.A. 89-450, eff. 4-10-96; 89-507, eff. 7-1-97;
11 90-14, eff. 7-1-97; 90-448, eff. 8-16-97.)

12 (40 ILCS 5/16-131.6) (from Ch. 108 1/2, par. 16-131.6)
13 Sec. 16-131.6. Transfer to Article 14.

14 (a) Any active member of the State Employees' Retirement
15 System of Illinois may apply for transfer to that System of
16 credits and creditable service accumulated under this System
17 for service as a teacher employed by the Department of
18 Corrections. Such creditable service shall be transferred
19 forthwith. Payment by this System to the State Employees'
20 Retirement System shall be made at the same time and shall
21 consist of:

22 (1) the amounts accumulated to the credit of the
23 applicant for such service, including interest, on the
24 books of this System on the date of transfer; and

25 (2) employer contributions in an amount equal to
26 the amount of member contributions as determined under
27 item (1).

28 Participation in this System as to any credits transferred
29 under this subsection ~~Section~~ shall terminate on the date of
30 transfer.

31 (b) Any active member of the State Employees' Retirement
32 System of Illinois may apply for transfer to that System of
33 credits and creditable service accumulated under this System

1 for service as a security employee of the Department of Human
2 Services as defined (at the time of application) in Section
3 14-110. That creditable service shall be transferred
4 forthwith. Payment by this System to the State Employees'
5 Retirement System shall be made at the same time and shall
6 consist of:

7 (1) the amounts accumulated to the credit of the
8 applicant for that service, including interest, on the
9 books of this System on the date of transfer, but
10 excluding any contribution paid by the member under
11 Section 16-129.1 to upgrade that credit to the augmented
12 rate, which shall be refunded to the member; and

13 (2) employer contributions in an amount equal to
14 the amount of member contributions as determined under
15 item (1).

16 Participation in this System as to any credits transferred
17 under this subsection shall terminate on the date of
18 transfer.

19 (Source: P.A. 86-1488.)

20 Section 99. Effective date. This Act takes effect upon
21 becoming law.