

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 Section 14-110 as follows:

6 (40 ILCS 5/14-110) (from Ch. 108 1/2, par. 14-110)
7 Sec. 14-110. Alternative retirement annuity.

8 (a) Any member who has withdrawn from service with not
9 less than 20 years of eligible creditable service and has
10 attained age 55, and any member who has withdrawn from
11 service with not less than 25 years of eligible creditable
12 service and has attained age 50, regardless of whether the
13 attainment of either of the specified ages occurs while the
14 member is still in service, shall be entitled to receive at
15 the option of the member, in lieu of the regular or minimum
16 retirement annuity, a retirement annuity computed as
17 follows:

18 (i) for periods of service as a noncovered
19 employee, 2 1/4% of final average compensation for each
20 of the first 10 years of creditable service, 2 1/2% for
21 each year above 10 years to and including 20 years of
22 creditable service, and 2 3/4% for each year of
23 creditable service above 20 years; and

24 (ii) for periods of eligible creditable service as
25 a covered employee, 1.67% of final average compensation
26 for each of the first 10 years of such service, 1.90% for
27 each of the next 10 years of such service, 2.10% for each
28 year of such service in excess of 20 but not exceeding
29 30, and 2.30% for each year in excess of 30.

30 Such annuity shall be subject to a maximum of 75% of
31 final average compensation. These rates shall not be

1 applicable to any service performed by a member as a covered
2 employee which is not eligible creditable service. Service
3 as a covered employee which is not eligible creditable
4 service shall be subject to the rates and provisions of
5 Section 14-108.

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

- 9 (1) State policeman;
- 10 (2) fire fighter in the fire protection service of
11 a department;
- 12 (3) air pilot;
- 13 (4) special agent;
- 14 (5) investigator for the Secretary of State;
- 15 (6) conservation police officer;
- 16 (7) investigator for the Department of Revenue;
- 17 (8) security employee of the Department of Human
18 Services;
- 19 (9) Central Management Services security police
20 officer;
- 21 (10) security employee of the Department of
22 Corrections;
- 23 (11) dangerous drugs investigator;
- 24 (12) investigator for the Department of State
25 Police;
- 26 (13) investigator for the Office of the Attorney
27 General;
- 28 (14) controlled substance inspector;
- 29 (15) investigator for the Office of the State's
30 Attorneys Appellate Prosecutor;
- 31 (16) Commerce Commission police officer;
- 32 (17) arson investigator.

33 A person employed in one of the positions specified in
34 this subsection is entitled to eligible creditable service

1 for service credit earned under this Article while undergoing
2 the basic police training course approved by the Illinois Law
3 Enforcement Training Standards Board, if completion of that
4 training is required of persons serving in that position.
5 For the purposes of this Code, service during the required
6 basic police training course shall be deemed performance of
7 the duties of the specified position, even though the person
8 is not a sworn peace officer at the time of the training.

9 (c) For the purposes of this Section:

10 (1) The term "state policeman" includes any title
11 or position in the Department of State Police that is
12 held by an individual employed under the State Police
13 Act.

14 (2) The term "fire fighter in the fire protection
15 service of a department" includes all officers in such
16 fire protection service including fire chiefs and
17 assistant fire chiefs.

18 (3) The term "air pilot" includes any employee
19 whose official job description on file in the Department
20 of Central Management Services, or in the department by
21 which he is employed if that department is not covered by
22 the Personnel Code, states that his principal duty is the
23 operation of aircraft, and who possesses a pilot's
24 license; however, the change in this definition made by
25 this amendatory Act of 1983 shall not operate to exclude
26 any noncovered employee who was an "air pilot" for the
27 purposes of this Section on January 1, 1984.

28 (4) The term "special agent" means any person who
29 by reason of employment by the Division of Narcotic
30 Control, the Bureau of Investigation or, after July 1,
31 1977, the Division of Criminal Investigation, the
32 Division of Internal Investigation, the Division of
33 Operations, or any other Division or organizational
34 entity in the Department of State Police is vested by law

1 with duties to maintain public order, investigate
2 violations of the criminal law of this State, enforce the
3 laws of this State, make arrests and recover property.
4 The term "special agent" includes any title or position
5 in the Department of State Police that is held by an
6 individual employed under the State Police Act.

7 (5) The term "investigator for the Secretary of
8 State" means any person employed by the Office of the
9 Secretary of State and vested with such investigative
10 duties as render him ineligible for coverage under the
11 Social Security Act by reason of Sections 218(d)(5)(A),
12 218(d)(8)(D) and 218(1)(1) of that Act.

13 A person who became employed as an investigator for
14 the Secretary of State between January 1, 1967 and
15 December 31, 1975, and who has served as such until
16 attainment of age 60, either continuously or with a
17 single break in service of not more than 3 years
18 duration, which break terminated before January 1, 1976,
19 shall be entitled to have his retirement annuity
20 calculated in accordance with subsection (a),
21 notwithstanding that he has less than 20 years of credit
22 for such service.

23 (6) The term "Conservation Police Officer" means
24 any person employed by the Division of Law Enforcement of
25 the Department of Natural Resources and vested with such
26 law enforcement duties as render him ineligible for
27 coverage under the Social Security Act by reason of
28 Sections 218(d)(5)(A), 218(d)(8)(D), and 218(1)(1) of
29 that Act. The term "Conservation Police Officer"
30 includes the positions of Chief Conservation Police
31 Administrator and Assistant Conservation Police
32 Administrator.

33 (7) The term "investigator for the Department of
34 Revenue" means any person employed by the Department of

1 Revenue and vested with such investigative duties as
2 render him ineligible for coverage under the Social
3 Security Act by reason of Sections 218(d)(5)(A),
4 218(d)(8)(D) and 218(1)(1) of that Act.

5 (8) The term "security employee of the Department
6 of Human Services" means any person employed by the
7 Department of Human Services who is employed at the
8 Chester Mental Health Center and has daily contact with
9 the residents thereof, or who is a mental health police
10 officer. "Mental health police officer" means any person
11 employed by the Department of Human Services in a
12 position pertaining to the Department's mental health and
13 developmental disabilities functions who is vested with
14 such law enforcement duties as render the person
15 ineligible for coverage under the Social Security Act by
16 reason of Sections 218(d)(5)(A), 218(d)(8)(D) and
17 218(1)(1) of that Act.

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

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

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

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

8 (13) "Investigator for the Office of the Attorney
9 General" means any person who is employed as such by the
10 Office of the Attorney General and is vested with such
11 investigative 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(1)(1) of that
14 Act. For the period before January 1, 1989, the term
15 includes all persons who were employed as investigators
16 by the Office of the Attorney General, without regard to
17 social security status.

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

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

32 (16) "Commerce Commission police officer" means any
33 person employed by the Illinois Commerce Commission who
34 is vested with such law enforcement duties as render him

1 ineligible for coverage under the Social Security Act by
2 reason of Sections 218(d)(5)(A), 218(d)(8)(D), and
3 218(1)(1) of that Act.

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

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

28 (i) 25 years of eligible creditable service and age
29 55; or

30 (ii) beginning January 1, 1987, 25 years of
31 eligible creditable service and age 54, or 24 years of
32 eligible creditable service and age 55; or

33 (iii) beginning January 1, 1988, 25 years of
34 eligible creditable service and age 53, or 23 years of

1 eligible creditable service and age 55; or

2 (iv) beginning January 1, 1989, 25 years of
3 eligible creditable service and age 52, or 22 years of
4 eligible creditable service and age 55; or

5 (v) beginning January 1, 1990, 25 years of eligible
6 creditable service and age 51, or 21 years of eligible
7 creditable service and age 55; or

8 (vi) beginning January 1, 1991, 25 years of
9 eligible creditable service and age 50, or 20 years of
10 eligible creditable service and age 55.

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

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

27 (f) For purposes of calculating retirement annuities
28 under this Section, periods of service rendered after
29 December 31, 1968 and before October 1, 1975 as a covered
30 employee in the position of special agent, conservation
31 police officer, mental health police officer, or investigator
32 for the Secretary of State, shall be deemed to have been
33 service as a noncovered employee, provided that the employee
34 pays to the System prior to retirement an amount equal to (1)

1 the difference between the employee contributions that would
2 have been required for such service as a noncovered employee,
3 and the amount of employee contributions actually paid, plus
4 (2) if payment is made after July 31, 1987, regular interest
5 on the amount specified in item (1) from the date of service
6 to the date of payment.

7 For purposes of calculating retirement annuities under
8 this Section, periods of service rendered after December 31,
9 1968 and before January 1, 1982 as a covered employee in the
10 position of investigator for the Department of Revenue shall
11 be deemed to have been service as a noncovered employee,
12 provided that the employee pays to the System prior to
13 retirement an amount equal to (1) the difference between the
14 employee contributions that would have been required for such
15 service as a noncovered employee, and the amount of employee
16 contributions actually paid, plus (2) if payment is made
17 after January 1, 1990, regular interest on the amount
18 specified in item (1) from the date of service to the date of
19 payment.

20 (g) A State policeman may elect, not later than January
21 1, 1990, to establish eligible creditable service for up to
22 10 years of his service as a policeman under Article 3, by
23 filing a written election with the Board, accompanied by
24 payment of an amount to be determined by the Board, equal to
25 (i) the difference between the amount of employee and
26 employer contributions transferred to the System under
27 Section 3-110.5, and the amounts that would have been
28 contributed had such contributions been made at the rates
29 applicable to State policemen, plus (ii) interest thereon at
30 the effective rate for each year, compounded annually, from
31 the date of service to the date of payment.

32 Subject to the limitation in subsection (i), a State
33 policeman may elect, not later than July 1, 1993, to
34 establish eligible creditable service for up to 10 years of

1 his service as a member of the County Police Department under
2 Article 9, by filing a written election with the Board,
3 accompanied by payment of an amount to be determined by the
4 Board, equal to (i) the difference between the amount of
5 employee and employer contributions transferred to the System
6 under Section 9-121.10 and the amounts that would have been
7 contributed had those contributions been made at the rates
8 applicable to State policemen, plus (ii) interest thereon at
9 the effective rate for each year, compounded annually, from
10 the date of service to the date of payment.

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

25 Subject to the limitation in subsection (i), a State
26 policeman, conservation police officer, or investigator for
27 the Secretary of State may elect to establish eligible
28 creditable service for up to 10 years of service as a
29 sheriff's law enforcement employee under Article 7, by filing
30 a written election with the Board on or before January 31,
31 1993, and paying to the System by January 31, 1994 an amount
32 to be determined by the Board, equal to (i) the difference
33 between the amount of employee and employer contributions
34 transferred to the System under Section 7-139.7, and the

1 amounts that would have been contributed had such
2 contributions been made at the rates applicable to State
3 policemen, plus (ii) interest thereon at the effective rate
4 for each year, compounded annually, from the date of service
5 to the date of payment.

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

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

24 (k) Subject to the limitation in subsection (i) of this
25 Section, an alternative formula employee may elect to
26 establish eligible creditable service for periods spent as a
27 full-time law enforcement officer or full-time corrections
28 officer employed by the federal government or by a state or
29 local government located outside of Illinois, for which
30 credit is not held in any other public employee pension fund
31 or retirement system. To obtain this credit, the applicant
32 must file a written application with the Board by March 31,
33 1998, accompanied by evidence of eligibility acceptable to
34 the Board and payment of an amount to be determined by the

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

12 Subject to the limitation in subsection (i) of this
13 Section, an alternative formula employee may elect to
14 establish eligible creditable service for periods spent as a
15 full-time law enforcement officer employed by the Chicago
16 Transit Authority for which credit is not held in any other
17 public employee pension fund or retirement system. To obtain
18 this credit, the applicant must (1) irrevocably relinquish
19 any credits that the applicant may have for the relevant
20 period in the retirement system established under Section
21 22-101 of this Code, (2) file a written application with the
22 Board within 90 days after the effective date of this
23 amendatory Act of the 92nd General Assembly, accompanied by
24 evidence of eligibility acceptable to the Board, and (3) pay
25 to the System before retirement an amount to be determined by
26 the Board, equal to (i) employee contributions for the credit
27 being established, based upon the applicant's salary on the
28 first day as an alternative formula employee after the
29 employment for which credit is being established and the
30 rates then applicable to an alternative formula employee,
31 plus (ii) an amount determined by the Board to be the
32 employer's normal cost of the benefits accrued for the credit
33 being established, plus (iii) regular interest on the amounts
34 in items (i) and (ii) from the first day as an alternative

1 formula employee after the employment for which credit is
2 being established to the date of payment.

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

17 (Source: P.A. 90-32, eff. 6-27-97; 91-357, eff. 7-29-99;
18 91-760, eff. 1-1-01.)

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