

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 adding Section 9-134.4 as follows:

6 (40 ILCS 5/9-134.4 new)

7 Sec. 9-134.4. Early retirement incentives.

8 (a) To be eligible for the benefits provided in this  
9 Section, a person must:

10 (1) be a current contributing member of the Fund  
11 established under this Article who, on January 1, 2001  
12 and within 30 days prior to the date of retirement, is  
13 (i) in active payroll status in a position of employment  
14 under this Article or (ii) receiving disability benefits  
15 under Section 9-156 or 9-157;

16 (2) have not previously retired from the Fund;

17 (3) file with the Board before October 1, 2001 a  
18 written application requesting the benefits provided in  
19 this Section;

20 (4) elect to retire under this Section on or after  
21 June 1, 2002 and on or before November 30, 2002 (or the  
22 date established under subsection (d), if applicable);

23 (5) have attained age 50 on or before the date of  
24 retirement and before November 30, 2002; and

25 (6) have at least 20 years of creditable service in  
26 the Fund, excluding service in any of the other  
27 participating systems under the Retirement Systems  
28 Reciprocal Act, by the effective date of the retirement  
29 annuity or November 30, 2002, whichever occurs first.

30 (b) An employee who qualifies for the benefits provided  
31 under this Section shall be entitled to the following:

1           (1) The employee's retirement annuity, as  
2           calculated under the other provisions of this Article,  
3           shall be increased at the time of retirement by an amount  
4           equal to 1% of the employee's average annual salary for  
5           the highest 4 consecutive years within the last 10 years  
6           of service, multiplied by the employee's number of years  
7           of service credit in this Fund up to a maximum of 10  
8           years; except that the total retirement annuity,  
9           including any additional benefits elected under Section  
10           9-121.6 or 9-179.3, shall not exceed 80% of that highest  
11           average annual salary.

12           (2) If the employee's retirement annuity is  
13           calculated under Section 9-134, the employee shall not be  
14           subject to the reduction in retirement annuity because of  
15           retirement below age 60 that is otherwise required under  
16           that Section.

17           (c) A person who elects to retire under the provisions  
18           of this Section thereby relinquishes his or her right, if  
19           any, to have the retirement annuity calculated under the  
20           alternative formula formerly set forth in Section 20-122 of  
21           the Retirement Systems Reciprocal Act.

22           (d) In the case of an employee whose immediate  
23           retirement could jeopardize public safety or create hardship  
24           for the employer, the deadline for retirement provided in  
25           subdivision (a)(4) of this Section may be extended to a  
26           specified date, no later than May 31, 2003, by the employee's  
27           department head, with the approval of the President of the  
28           County Board. In the case of an employee who is not employed  
29           by a department of the County, the employee's "department  
30           head", for the purposes of this Section, shall be a person  
31           designated by the President of the County Board.

32           (e) Notwithstanding Section 9-161, an annuitant who  
33           reenters service under this Article after receiving a  
34           retirement annuity based on benefits provided under this

1 Section thereby forfeits the right to continue to receive  
2 those benefits and shall have his or her retirement annuity  
3 recalculated without the benefits provided in this Section.

4 (f) This Section also applies to the Fund established  
5 under Article 10 of this Code.

6 Section 90. The State Mandates Act is amended by adding  
7 Section 8.25 as follows:

8 (30 ILCS 805/8.25 new)

9 Sec. 8.25. Exempt mandate. Notwithstanding Sections 6  
10 and 8 of this Act, no reimbursement by the State is required  
11 for the implementation of any mandate created by this  
12 amendatory Act of the 92nd General Assembly.

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