

AN ACT concerning public employee benefits.

**Be it enacted by the People of the State of Illinois,  
represented in the General Assembly:**

Section 5. The Property Tax Code is amended by changing Section 18-185 as follows:

(35 ILCS 200/18-185)

Sec. 18-185. Short title; definitions. This Division 5 may be cited as the Property Tax Extension Limitation Law. As used in this Division 5:

"Consumer Price Index" means the Consumer Price Index for All Urban Consumers for all items published by the United States Department of Labor.

"Extension limitation" means (a) the lesser of 5% or the percentage increase in the Consumer Price Index during the 12-month calendar year preceding the levy year or (b) the rate of increase approved by voters under Section 18-205.

"Affected county" means a county of 3,000,000 or more inhabitants or a county contiguous to a county of 3,000,000 or more inhabitants.

"Taxing district" has the same meaning provided in Section 1-150, except as otherwise provided in this Section. For the 1991 through 1994 levy years only, "taxing district" includes only each non-home rule taxing district having the majority of

its 1990 equalized assessed value within any county or counties contiguous to a county with 3,000,000 or more inhabitants. Beginning with the 1995 levy year, "taxing district" includes only each non-home rule taxing district subject to this Law before the 1995 levy year and each non-home rule taxing district not subject to this Law before the 1995 levy year having the majority of its 1994 equalized assessed value in an affected county or counties. Beginning with the levy year in which this Law becomes applicable to a taxing district as provided in Section 18-213, "taxing district" also includes those taxing districts made subject to this Law as provided in Section 18-213.

"Aggregate extension" for taxing districts to which this Law applied before the 1995 levy year means the annual corporate extension for the taxing district and those special purpose extensions that are made annually for the taxing district, excluding special purpose extensions: (a) made for the taxing district to pay interest or principal on general obligation bonds that were approved by referendum; (b) made for any taxing district to pay interest or principal on general obligation bonds issued before October 1, 1991; (c) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund those bonds issued before October 1, 1991; (d) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund bonds issued after October 1,

1991 that were approved by referendum; (e) made for any taxing district to pay interest or principal on revenue bonds issued before October 1, 1991 for payment of which a property tax levy or the full faith and credit of the unit of local government is pledged; however, a tax for the payment of interest or principal on those bonds shall be made only after the governing body of the unit of local government finds that all other sources for payment are insufficient to make those payments; (f) made for payments under a building commission lease when the lease payments are for the retirement of bonds issued by the commission before October 1, 1991, to pay for the building project; (g) made for payments due under installment contracts entered into before October 1, 1991; (h) made for payments of principal and interest on bonds issued under the Metropolitan Water Reclamation District Act to finance construction projects initiated before October 1, 1991; (i) made for payments of principal and interest on limited bonds, as defined in Section 3 of the Local Government Debt Reform Act, in an amount not to exceed the debt service extension base less the amount in items (b), (c), (e), and (h) of this definition for non-referendum obligations, except obligations initially issued pursuant to referendum; (j) made for payments of principal and interest on bonds issued under Section 15 of the Local Government Debt Reform Act; (k) made by a school district that participates in the Special Education District of Lake County, created by special education joint agreement

under Section 10-22.31 of the School Code, for payment of the school district's share of the amounts required to be contributed by the Special Education District of Lake County to the Illinois Municipal Retirement Fund under Article 7 of the Illinois Pension Code; the amount of any extension under this item (k) shall be certified by the school district to the county clerk; (l) made to fund expenses of providing joint recreational programs for persons with disabilities under Section 5-8 of the Park District Code or Section 11-95-14 of the Illinois Municipal Code; (m) made for temporary relocation loan repayment purposes pursuant to Sections 2-3.77 and 17-2.2d of the School Code; (n) made for payment of principal and interest on any bonds issued under the authority of Section 17-2.2d of the School Code; (o) made for contributions to a firefighter's pension fund created under Article 4 of the Illinois Pension Code, to the extent of the amount certified under item (5) of Section 4-134 of the Illinois Pension Code; and (p) made for road purposes in the first year after a township assumes the rights, powers, duties, assets, property, liabilities, obligations, and responsibilities of a road district abolished under the provisions of Section 6-133 of the Illinois Highway Code.

"Aggregate extension" for the taxing districts to which this Law did not apply before the 1995 levy year (except taxing districts subject to this Law in accordance with Section 18-213) means the annual corporate extension for the taxing

district and those special purpose extensions that are made annually for the taxing district, excluding special purpose extensions: (a) made for the taxing district to pay interest or principal on general obligation bonds that were approved by referendum; (b) made for any taxing district to pay interest or principal on general obligation bonds issued before March 1, 1995; (c) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund those bonds issued before March 1, 1995; (d) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund bonds issued after March 1, 1995 that were approved by referendum; (e) made for any taxing district to pay interest or principal on revenue bonds issued before March 1, 1995 for payment of which a property tax levy or the full faith and credit of the unit of local government is pledged; however, a tax for the payment of interest or principal on those bonds shall be made only after the governing body of the unit of local government finds that all other sources for payment are insufficient to make those payments; (f) made for payments under a building commission lease when the lease payments are for the retirement of bonds issued by the commission before March 1, 1995 to pay for the building project; (g) made for payments due under installment contracts entered into before March 1, 1995; (h) made for payments of principal and interest on bonds issued under the Metropolitan Water Reclamation District Act to finance

construction projects initiated before October 1, 1991; (h-4) made for stormwater management purposes by the Metropolitan Water Reclamation District of Greater Chicago under Section 12 of the Metropolitan Water Reclamation District Act; (i) made for payments of principal and interest on limited bonds, as defined in Section 3 of the Local Government Debt Reform Act, in an amount not to exceed the debt service extension base less the amount in items (b), (c), and (e) of this definition for non-referendum obligations, except obligations initially issued pursuant to referendum and bonds described in subsection (h) of this definition; (j) made for payments of principal and interest on bonds issued under Section 15 of the Local Government Debt Reform Act; (k) made for payments of principal and interest on bonds authorized by Public Act 88-503 and issued under Section 20a of the Chicago Park District Act for aquarium or museum projects and bonds issued under Section 20a of the Chicago Park District Act for the purpose of making contributions to the pension fund established under Article 12 of the Illinois Pension Code; (l) made for payments of principal and interest on bonds authorized by Public Act 87-1191 or 93-601 and (i) issued pursuant to Section 21.2 of the Cook County Forest Preserve District Act, (ii) issued under Section 42 of the Cook County Forest Preserve District Act for zoological park projects, or (iii) issued under Section 44.1 of the Cook County Forest Preserve District Act for botanical gardens projects; (m) made

pursuant to Section 34-53.5 of the School Code, whether levied annually or not; (n) made to fund expenses of providing joint recreational programs for persons with disabilities under Section 5-8 of the Park District Code or Section 11-95-14 of the Illinois Municipal Code; (o) made by the Chicago Park District for recreational programs for persons with disabilities under subsection (c) of Section 7.06 of the Chicago Park District Act; (p) made for contributions to a firefighter's pension fund created under Article 4 of the Illinois Pension Code, to the extent of the amount certified under item (5) of Section 4-134 of the Illinois Pension Code; (q) made by Ford Heights School District 169 under Section 17-9.02 of the School Code; and (r) made for the purpose of making employer contributions to the Public School Teachers' Pension and Retirement Fund of Chicago under Section 34-53 of the School Code.

"Aggregate extension" for all taxing districts to which this Law applies in accordance with Section 18-213, except for those taxing districts subject to paragraph (2) of subsection (e) of Section 18-213, means the annual corporate extension for the taxing district and those special purpose extensions that are made annually for the taxing district, excluding special purpose extensions: (a) made for the taxing district to pay interest or principal on general obligation bonds that were approved by referendum; (b) made for any taxing district to pay interest or principal on general obligation bonds

issued before the date on which the referendum making this Law applicable to the taxing district is held; (c) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund those bonds issued before the date on which the referendum making this Law applicable to the taxing district is held; (d) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund bonds issued after the date on which the referendum making this Law applicable to the taxing district is held if the bonds were approved by referendum after the date on which the referendum making this Law applicable to the taxing district is held; (e) made for any taxing district to pay interest or principal on revenue bonds issued before the date on which the referendum making this Law applicable to the taxing district is held for payment of which a property tax levy or the full faith and credit of the unit of local government is pledged; however, a tax for the payment of interest or principal on those bonds shall be made only after the governing body of the unit of local government finds that all other sources for payment are insufficient to make those payments; (f) made for payments under a building commission lease when the lease payments are for the retirement of bonds issued by the commission before the date on which the referendum making this Law applicable to the taxing district is held to pay for the building project; (g) made for payments due under installment contracts entered into before the date



on which the referendum making this Law applicable to the taxing district is held; (h) made for payments of principal and interest on limited bonds, as defined in Section 3 of the Local Government Debt Reform Act, in an amount not to exceed the debt service extension base less the amount in items (b), (c), and (e) of this definition for non-referendum obligations, except obligations initially issued pursuant to referendum; (i) made for payments of principal and interest on bonds issued under Section 15 of the Local Government Debt Reform Act; (j) made for a qualified airport authority to pay interest or principal on general obligation bonds issued for the purpose of paying obligations due under, or financing airport facilities required to be acquired, constructed, installed or equipped pursuant to, contracts entered into before March 1, 1996 (but not including any amendments to such a contract taking effect on or after that date); (k) made to fund expenses of providing joint recreational programs for persons with disabilities under Section 5-8 of the Park District Code or Section 11-95-14 of the Illinois Municipal Code; (l) made for contributions to a firefighter's pension fund created under Article 4 of the Illinois Pension Code, to the extent of the amount certified under item (5) of Section 4-134 of the Illinois Pension Code; and (m) made for the taxing district to pay interest or principal on general obligation bonds issued pursuant to Section 19-3.10 of the School Code.

"Aggregate extension" for all taxing districts to which

this Law applies in accordance with paragraph (2) of subsection (e) of Section 18-213 means the annual corporate extension for the taxing district and those special purpose extensions that are made annually for the taxing district, excluding special purpose extensions: (a) made for the taxing district to pay interest or principal on general obligation bonds that were approved by referendum; (b) made for any taxing district to pay interest or principal on general obligation bonds issued before March 7, 1997 (the effective date of Public Act 89-718) ~~this amendatory Act of 1997~~; (c) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund those bonds issued before March 7, 1997 (the effective date of Public Act 89-718) ~~this amendatory Act of 1997~~; (d) made for any taxing district to pay interest or principal on bonds issued to refund or continue to refund bonds issued after March 7, 1997 (the effective date of Public Act 89-718) ~~this amendatory Act of 1997~~ if the bonds were approved by referendum after March 7, 1997 (the effective date of Public Act 89-718) ~~this amendatory Act of 1997~~; (e) made for any taxing district to pay interest or principal on revenue bonds issued before March 7, 1997 (the effective date of Public Act 89-718) ~~this amendatory Act of 1997~~ for payment of which a property tax levy or the full faith and credit of the unit of local government is pledged; however, a tax for the payment of interest or principal on those bonds shall be made only after the governing body of the

unit of local government finds that all other sources for payment are insufficient to make those payments; (f) made for payments under a building commission lease when the lease payments are for the retirement of bonds issued by the commission before March 7, 1997 (the effective date of Public Act 89-718) ~~this amendatory Act of 1997~~ to pay for the building project; (g) made for payments due under installment contracts entered into before March 7, 1997 (the effective date of Public Act 89-718) ~~this amendatory Act of 1997~~; (h) made for payments of principal and interest on limited bonds, as defined in Section 3 of the Local Government Debt Reform Act, in an amount not to exceed the debt service extension base less the amount in items (b), (c), and (e) of this definition for non-referendum obligations, except obligations initially issued pursuant to referendum; (i) made for payments of principal and interest on bonds issued under Section 15 of the Local Government Debt Reform Act; (j) made for a qualified airport authority to pay interest or principal on general obligation bonds issued for the purpose of paying obligations due under, or financing airport facilities required to be acquired, constructed, installed or equipped pursuant to, contracts entered into before March 1, 1996 (but not including any amendments to such a contract taking effect on or after that date); (k) made to fund expenses of providing joint recreational programs for persons with disabilities under Section 5-8 of the Park District Code or Section 11-95-14 of

the Illinois Municipal Code; and (1) made for contributions to a firefighter's pension fund created under Article 4 of the Illinois Pension Code, to the extent of the amount certified under item (5) of Section 4-134 of the Illinois Pension Code.

"Debt service extension base" means an amount equal to that portion of the extension for a taxing district for the 1994 levy year, or for those taxing districts subject to this Law in accordance with Section 18-213, except for those subject to paragraph (2) of subsection (e) of Section 18-213, for the levy year in which the referendum making this Law applicable to the taxing district is held, or for those taxing districts subject to this Law in accordance with paragraph (2) of subsection (e) of Section 18-213 for the 1996 levy year, constituting an extension for payment of principal and interest on bonds issued by the taxing district without referendum, but not including excluded non-referendum bonds. For park districts (i) that were first subject to this Law in 1991 or 1995 and (ii) whose extension for the 1994 levy year for the payment of principal and interest on bonds issued by the park district without referendum (but not including excluded non-referendum bonds) was less than 51% of the amount for the 1991 levy year constituting an extension for payment of principal and interest on bonds issued by the park district without referendum (but not including excluded non-referendum bonds), "debt service extension base" means an amount equal to that portion of the extension for the 1991 levy year

constituting an extension for payment of principal and interest on bonds issued by the park district without referendum (but not including excluded non-referendum bonds). A debt service extension base established or increased at any time pursuant to any provision of this Law, except Section 18-212, shall be increased each year commencing with the later of (i) the 2009 levy year or (ii) the first levy year in which this Law becomes applicable to the taxing district, by the lesser of 5% or the percentage increase in the Consumer Price Index during the 12-month calendar year preceding the levy year. The debt service extension base may be established or increased as provided under Section 18-212. "Excluded non-referendum bonds" means (i) bonds authorized by Public Act 88-503 and issued under Section 20a of the Chicago Park District Act for aquarium and museum projects; (ii) bonds issued under Section 15 of the Local Government Debt Reform Act; or (iii) refunding obligations issued to refund or to continue to refund obligations initially issued pursuant to referendum.

"Special purpose extensions" include, but are not limited to, extensions for levies made on an annual basis for unemployment and workers' compensation, self-insurance, contributions to pension plans, and extensions made pursuant to Section 6-601 of the Illinois Highway Code for a road district's permanent road fund whether levied annually or not. The extension for a special service area is not included in the

aggregate extension.

"Aggregate extension base" means the taxing district's last preceding aggregate extension as adjusted under Sections 18-135, 18-215, 18-230, and 18-206. An adjustment under Section 18-135 shall be made for the 2007 levy year and all subsequent levy years whenever one or more counties within which a taxing district is located (i) used estimated valuations or rates when extending taxes in the taxing district for the last preceding levy year that resulted in the over or under extension of taxes, or (ii) increased or decreased the tax extension for the last preceding levy year as required by Section 18-135(c). Whenever an adjustment is required under Section 18-135, the aggregate extension base of the taxing district shall be equal to the amount that the aggregate extension of the taxing district would have been for the last preceding levy year if either or both (i) actual, rather than estimated, valuations or rates had been used to calculate the extension of taxes for the last levy year, or (ii) the tax extension for the last preceding levy year had not been adjusted as required by subsection (c) of Section 18-135.

Notwithstanding any other provision of law, for levy year 2012, the aggregate extension base for West Northfield School District No. 31 in Cook County shall be \$12,654,592.

"Levy year" has the same meaning as "year" under Section 1-155.

"New property" means (i) the assessed value, after final

board of review or board of appeals action, of new improvements or additions to existing improvements on any parcel of real property that increase the assessed value of that real property during the levy year multiplied by the equalization factor issued by the Department under Section 17-30, (ii) the assessed value, after final board of review or board of appeals action, of real property not exempt from real estate taxation, which real property was exempt from real estate taxation for any portion of the immediately preceding levy year, multiplied by the equalization factor issued by the Department under Section 17-30, including the assessed value, upon final stabilization of occupancy after new construction is complete, of any real property located within the boundaries of an otherwise or previously exempt military reservation that is intended for residential use and owned by or leased to a private corporation or other entity, (iii) in counties that classify in accordance with Section 4 of Article IX of the Illinois Constitution, an incentive property's additional assessed value resulting from a scheduled increase in the level of assessment as applied to the first year final board of review market value, and (iv) any increase in assessed value due to oil or gas production from an oil or gas well required to be permitted under the Hydraulic Fracturing Regulatory Act that was not produced in or accounted for during the previous levy year. In addition, the county clerk in a county containing a population of 3,000,000 or more shall

include in the 1997 recovered tax increment value for any school district, any recovered tax increment value that was applicable to the 1995 tax year calculations.

"Qualified airport authority" means an airport authority organized under the Airport Authorities Act and located in a county bordering on the State of Wisconsin and having a population in excess of 200,000 and not greater than 500,000.

"Recovered tax increment value" means, except as otherwise provided in this paragraph, the amount of the current year's equalized assessed value, in the first year after a municipality terminates the designation of an area as a redevelopment project area previously established under the Tax Increment Allocation Redevelopment ~~Development~~ Act in the Illinois Municipal Code, previously established under the Industrial Jobs Recovery Law in the Illinois Municipal Code, previously established under the Economic Development Project Area Tax Increment Act of 1995, or previously established under the Economic Development Area Tax Increment Allocation Act, of each taxable lot, block, tract, or parcel of real property in the redevelopment project area over and above the initial equalized assessed value of each property in the redevelopment project area. For the taxes which are extended for the 1997 levy year, the recovered tax increment value for a non-home rule taxing district that first became subject to this Law for the 1995 levy year because a majority of its 1994 equalized assessed value was in an affected county or counties



shall be increased if a municipality terminated the designation of an area in 1993 as a redevelopment project area previously established under the Tax Increment Allocation Redevelopment ~~Development~~ Act in the Illinois Municipal Code, previously established under the Industrial Jobs Recovery Law in the Illinois Municipal Code, or previously established under the Economic Development Area Tax Increment Allocation Act, by an amount equal to the 1994 equalized assessed value of each taxable lot, block, tract, or parcel of real property in the redevelopment project area over and above the initial equalized assessed value of each property in the redevelopment project area. In the first year after a municipality removes a taxable lot, block, tract, or parcel of real property from a redevelopment project area established under the Tax Increment Allocation Redevelopment ~~Development~~ Act in the Illinois Municipal Code, the Industrial Jobs Recovery Law in the Illinois Municipal Code, or the Economic Development Area Tax Increment Allocation Act, "recovered tax increment value" means the amount of the current year's equalized assessed value of each taxable lot, block, tract, or parcel of real property removed from the redevelopment project area over and above the initial equalized assessed value of that real property before removal from the redevelopment project area.

Except as otherwise provided in this Section, "limiting rate" means a fraction the numerator of which is the last preceding aggregate extension base times an amount equal to

one plus the extension limitation defined in this Section and the denominator of which is the current year's equalized assessed value of all real property in the territory under the jurisdiction of the taxing district during the prior levy year. For those taxing districts that reduced their aggregate extension for the last preceding levy year, except for school districts that reduced their extension for educational purposes pursuant to Section 18-206, the highest aggregate extension in any of the last 3 preceding levy years shall be used for the purpose of computing the limiting rate. The denominator shall not include new property or the recovered tax increment value. If a new rate, a rate decrease, or a limiting rate increase has been approved at an election held after March 21, 2006, then (i) the otherwise applicable limiting rate shall be increased by the amount of the new rate or shall be reduced by the amount of the rate decrease, as the case may be, or (ii) in the case of a limiting rate increase, the limiting rate shall be equal to the rate set forth in the proposition approved by the voters for each of the years specified in the proposition, after which the limiting rate of the taxing district shall be calculated as otherwise provided. In the case of a taxing district that obtained referendum approval for an increased limiting rate on March 20, 2012, the limiting rate for tax year 2012 shall be the rate that generates the approximate total amount of taxes extendable for that tax year, as set forth in the proposition approved by the

voters; this rate shall be the final rate applied by the county clerk for the aggregate of all capped funds of the district for tax year 2012.

(Source: P.A. 99-143, eff. 7-27-15; 99-521, eff. 6-1-17; 100-465, eff. 8-31-17; revised 8-12-19.)

Section 10. The Chicago Park District Act is amended by changing Section 20a as follows:

(70 ILCS 1505/20a) (from Ch. 105, par. 333.20a)

Sec. 20a. Bonds; issuance; interest. Notwithstanding anything to the contrary in Section 20 of this Act, the Chicago Park District is authorized to issue from time to time bonds of such district in the principal amount of \$84,000,000 for the purpose of paying the cost of erecting, enlarging, ornamenting, building, rebuilding, rehabilitating and improving any aquarium or any museum or museums of art, industry, science or natural or other history located within any public park or parks under the control of the Chicago Park District, without submitting the question of issuing such bonds to the voters of the District.

Notwithstanding anything to the contrary in Section 20 of this Act, and in addition to any other amount of bonds authorized to be issued under this Act, the Chicago Park District is authorized to issue from time to time, before January 1, 2004, bonds of the district in the principal amount

of \$128,000,000 for the purpose of paying the cost of erecting, enlarging, ornamenting, building, rebuilding, rehabilitating, and improving any aquarium or any museum or museums of art, industry, science, or natural or other history located within any public park or parks under the control of the Chicago Park District, without submitting the question of issuing the bonds to the voters of the District.

Notwithstanding anything to the contrary in Section 20 of this Act, and in addition to any other amount of bonds authorized to be issued under this Act, the Chicago Park District is authorized to issue from time to time bonds of the district in the principal amount of \$250,000,000 for the purpose of making contributions to the pension fund established under Article 12 of the Illinois Pension Code without submitting the question of issuing the bonds to the voters of the District; except that in any one year, the Chicago Park District may not issue bonds in excess of \$75,000,000. Any bond issuances under this subsection are intended to decrease the unfunded liability of the pension fund and shall not decrease the amount of the employer contributions required in any given year under Section 12-149 of the Illinois Pension Code.

The bonds authorized under this Section shall be of such denomination or denominations, may be registerable as to principal only, and shall mature serially within a period of not to exceed 20 years or, for bonds issued after the effective

date of this amendatory Act of the 93rd General Assembly, within a period of not to exceed 30 years, may be redeemable prior to maturity with or without premium at the option of the commissioners on such terms and conditions as the commissioners of the Chicago Park District shall fix by the ordinance authorizing the issuance of such bonds. The bonds shall bear interest at the rate of not to exceed that permitted in "An Act to authorize public corporations to issue bonds, other evidences of indebtedness and tax anticipation warrants subject to interest rate limitations set forth therein", approved May 26, 1970, as now or hereafter amended.

Such bonds shall be executed for and on behalf of the Park District by such officers as shall be specified in the bond ordinance, and one of such officers may be authorized to execute the bonds by his facsimile signature, which officer shall adopt as and for his official manual signature the facsimile signature as it appears upon the bonds.

The ordinance authorizing the issuance of the bonds shall provide for the levy and collection, in each of the years any of such bonds shall be outstanding, a tax without limitation as to rate or amount and in addition to all other taxes upon all the taxable property within the corporate boundaries of the Chicago Park District, sufficient to pay the principal of and the interest upon such bonds as the same matures and becomes due.

A certified copy of the ordinance providing for the

issuance of the bonds and the levying and collecting of the tax to pay the same shall be filed with the County Clerk of the county in which the Chicago Park District is located or with the respective County Clerks of each county in which the Chicago Park District is located. Such ordinance shall be irrevocable and upon receipt of the certified copy thereof the County Clerk or County Clerks, as the case may be, shall provide for, assess and extend the tax as therein provided upon all the taxable property located within the corporate boundaries of the Chicago Park District, in the same manner as other park taxes by law shall be provided for, assessed and extended, and such taxes shall be collected and paid out in the same manner as other park taxes by law shall be collected and paid.

The interest on any unexpended proceeds of bonds issued under this Section shall be credited to the Chicago Park District and shall be paid into the District's general corporate fund. The Chicago Park District may transfer such amount of interest from the general corporate fund to the aquarium and museum bond fund.

The amount of the outstanding bonded indebtedness of the Chicago Park District issued under this Section shall not be included in the bonded indebtedness of the District in determining whether or not the District has exceeded its limitation of  $\frac{1}{2}$  of 1% of the assessed valuation of all taxable property in the District as last equalized and

determined by the Department of Revenue for the issuance of any bonds authorized under the provisions of Section 20 of this Act without submitting the question to the legal voters for approval.

(Source: P.A. 93-338, eff. 7-24-03.)

Section 15. The Illinois Pension Code is amended by changing Sections 1-160, 12-130, 12-133.1, 12-133.2, 12-140, 12-149, and 12-150 as follows:

(40 ILCS 5/1-160)

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

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

became a member or participant prior to January 1, 2011 under any retirement system or pension fund subject to this Section. The changes made to this Section by Public Act 98-596 are a clarification of existing law and are intended to be retroactive to January 1, 2011 (the effective date of Public Act 96-889), notwithstanding the provisions of Section 1-103.1 of this Code.

This Section does not apply to a person who first becomes a noncovered employee under Article 14 on or after the implementation date of the plan created under Section 1-161 for that Article, unless that person elects under subsection (b) of Section 1-161 to instead receive the benefits provided under this Section and the applicable provisions of that Article.

This Section does not apply to a person who first becomes a member or participant under Article 16 on or after the implementation date of the plan created under Section 1-161 for that Article, unless that person elects under subsection (b) of Section 1-161 to instead receive the benefits provided under this Section and the applicable provisions of that Article.

This Section does not apply to a person who elects under subsection (c-5) of Section 1-161 to receive the benefits under Section 1-161.

This Section does not apply to a person who first becomes a member or participant of an affected pension fund on or after 6



months after the resolution or ordinance date, as defined in Section 1-162, unless that person elects under subsection (c) of Section 1-162 to receive the benefits provided under this Section and the applicable provisions of the Article under which he or she is a member or participant.

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

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

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

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

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

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

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

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

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

(c) A member or participant is entitled to a retirement annuity upon written application if he or she has attained age 67 (age 65, with respect to service under Article 12 that is

subject to this Section, for a member or participant under Article 12 who first becomes a member or participant under Article 12 on or after January 1, 2022 or who makes the election under item (i) of subsection (d-15) of this Section)  
~~(beginning January 1, 2015, age 65 with respect to service under Article 12 of this Code that is subject to this Section)~~  
and has at least 10 years of service credit and is otherwise eligible under the requirements of the applicable Article.

A member or participant who has attained age 62 (age 60, with respect to service under Article 12 that is subject to this Section, for a member or participant under Article 12 who first becomes a member or participant under Article 12 on or after January 1, 2022 or who makes the election under item (i) of subsection (d-15) of this Section) ~~(beginning January 1, 2015, age 60 with respect to service under Article 12 of this Code that is subject to this Section)~~ and has at least 10 years of service credit and is otherwise eligible under the requirements of the applicable Article may elect to receive the lower retirement annuity provided in subsection (d) of this Section.

(c-5) A person who first becomes a member or a participant subject to this Section on or after July 6, 2017 (the effective date of Public Act 100-23), notwithstanding any other provision of this Code to the contrary, is entitled to a retirement annuity under Article 8 or Article 11 upon written application if he or she has attained age 65 and has at least

10 years of service credit and is otherwise eligible under the requirements of Article 8 or Article 11 of this Code, whichever is applicable.

(d) The retirement annuity of a member or participant who is retiring after attaining age 62 (age 60, with respect to service under Article 12 that is subject to this Section, for a member or participant under Article 12 who first becomes a member or participant under Article 12 on or after January 1, 2022 or who makes the election under item (i) of subsection (d-15) of this Section) ~~(beginning January 1, 2015, age 60 with respect to service under Article 12 of this Code that is subject to this Section)~~ with at least 10 years of service credit shall be reduced by one-half of 1% for each full month that the member's age is under age 67 (age 65, with respect to service under Article 12 that is subject to this Section, for a member or participant under Article 12 who first becomes a member or participant under Article 12 on or after January 1, 2022 or who makes the election under item (i) of subsection (d-15) of this Section) ~~(beginning January 1, 2015, age 65 with respect to service under Article 12 of this Code that is subject to this Section)~~.

(d-5) The retirement annuity payable under Article 8 or Article 11 to an eligible person subject to subsection (c-5) of this Section who is retiring at age 60 with at least 10 years of service credit shall be reduced by one-half of 1% for each full month that the member's age is under age 65.

(d-10) Each person who first became a member or participant under Article 8 or Article 11 of this Code on or after January 1, 2011 and prior to the effective date of this amendatory Act of the 100th General Assembly shall make an irrevocable election either:

(i) to be eligible for the reduced retirement age provided in subsections (c-5) and (d-5) of this Section, the eligibility for which is conditioned upon the member or participant agreeing to the increases in employee contributions for age and service annuities provided in subsection (a-5) of Section 8-174 of this Code (for service under Article 8) or subsection (a-5) of Section 11-170 of this Code (for service under Article 11); or

(ii) to not agree to item (i) of this subsection (d-10), in which case the member or participant shall continue to be subject to the retirement age provisions in subsections (c) and (d) of this Section and the employee contributions for age and service annuity as provided in subsection (a) of Section 8-174 of this Code (for service under Article 8) or subsection (a) of Section 11-170 of this Code (for service under Article 11).

The election provided for in this subsection shall be made between October 1, 2017 and November 15, 2017. A person subject to this subsection who makes the required election shall remain bound by that election. A person subject to this subsection who fails for any reason to make the required

election within the time specified in this subsection shall be deemed to have made the election under item (ii).

(d-15) Each person who first becomes a member or participant under Article 12 on or after January 1, 2011 and prior to January 1, 2022 shall make an irrevocable election either:

(i) to be eligible for the reduced retirement age specified in subsections (c) and (d) of this Section, the eligibility for which is conditioned upon the member or participant agreeing to the increase in employee contributions for service annuities specified in subsection (b) of Section 12-150; or

(ii) to not agree to item (i) of this subsection (d-15), in which case the member or participant shall not be eligible for the reduced retirement age specified in subsections (c) and (d) of this Section and shall not be subject to the increase in employee contributions for service annuities specified in subsection (b) of Section 12-150.

The election provided for in this subsection shall be made between January 1, 2022 and April 1, 2022. A person subject to this subsection who makes the required election shall remain bound by that election. A person subject to this subsection who fails for any reason to make the required election within the time specified in this subsection shall be deemed to have made the election under item (ii).

(e) Any retirement annuity or supplemental annuity shall be subject to annual increases on the January 1 occurring either on or after the attainment of age 67 (age 65, with respect to service under Article 12 that is subject to this Section, for a member or participant under Article 12 who first becomes a member or participant under Article 12 on or after January 1, 2022 or who makes the election under item (i) of subsection (d-15); ~~beginning January 1, 2015, age 65 with respect to service under Article 12 of this Code that is subject to this Section~~ and beginning on the effective date of this amendatory Act of the 100th General Assembly, age 65 with respect to service under Article 8 or Article 11 for eligible persons who: (i) are subject to subsection (c-5) of this Section; or (ii) made the election under item (i) of subsection (d-10) of this Section) or the first anniversary of the annuity start date, whichever is later. Each annual increase shall be calculated at 3% or one-half the annual unadjusted percentage increase (but not less than zero) in the consumer price index-u for the 12 months ending with the September preceding each November 1, whichever is less, of the originally granted retirement annuity. If the annual unadjusted percentage change in the consumer price index-u for the 12 months ending with the September preceding each November 1 is zero or there is a decrease, then the annuity shall not be increased.

For the purposes of Section 1-103.1 of this Code, the

changes made to this Section by this amendatory Act of the 102nd General Assembly are applicable without regard to whether the employee was in active service on or after the effective date of this amendatory Act of the 102nd General Assembly.

For the purposes of Section 1-103.1 of this Code, the changes made to this Section by this amendatory Act of the 100th General Assembly are applicable without regard to whether the employee was in active service on or after the effective date of this amendatory Act of the 100th General Assembly.

(f) The initial survivor's or widow's annuity of an otherwise eligible survivor or widow of a retired member or participant who first became a member or participant on or after January 1, 2011 shall be in the amount of 66 2/3% of the retired member's or participant's retirement annuity at the date of death. In the case of the death of a member or participant who has not retired and who first became a member or participant on or after January 1, 2011, eligibility for a survivor's or widow's annuity shall be determined by the applicable Article of this Code. The initial benefit shall be 66 2/3% of the earned annuity without a reduction due to age. A child's annuity of an otherwise eligible child shall be in the amount prescribed under each Article if applicable. Any survivor's or widow's annuity shall be increased (1) on each January 1 occurring on or after the commencement of the



annuity if the deceased member died while receiving a retirement annuity or (2) in other cases, on each January 1 occurring after the first anniversary of the commencement of the annuity. Each annual increase shall be calculated at 3% or one-half the annual unadjusted percentage increase (but not less than zero) in the consumer price index-u for the 12 months ending with the September preceding each November 1, whichever is less, of the originally granted survivor's annuity. If the annual unadjusted percentage change in the consumer price index-u for the 12 months ending with the September preceding each November 1 is zero or there is a decrease, then the annuity shall not be increased.

(g) The benefits in Section 14-110 apply only if the person is a State policeman, a fire fighter in the fire protection service of a department, a conservation police officer, an investigator for the Secretary of State, an arson investigator, a Commerce Commission police officer, investigator for the Department of Revenue or the Illinois Gaming Board, a security employee of the Department of Corrections or the Department of Juvenile Justice, or a security employee of the Department of Innovation and Technology, as those terms are defined in subsection (b) and subsection (c) of Section 14-110. A person who meets the requirements of this Section is entitled to an annuity calculated under the provisions of Section 14-110, in lieu of the regular or minimum retirement annuity, only if the person

has withdrawn from service with not less than 20 years of eligible creditable service and has attained age 60, regardless of whether the attainment of age 60 occurs while the person is still in service.

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

If a person who first becomes a member of a retirement system or pension fund subject to this Section on or after January 1, 2012 and is receiving a retirement annuity or retirement pension under that system or fund and accepts on a contractual basis a position to provide services to a governmental entity from which he or she has retired, then that person's annuity or retirement pension earned as an active employee of the employer shall be suspended during that

contractual service. A person receiving an annuity or retirement pension under this Code shall notify the pension fund or retirement system from which he or she is receiving an annuity or retirement pension, as well as his or her contractual employer, of his or her retirement status before accepting contractual employment. A person who fails to submit such notification shall be guilty of a Class A misdemeanor and required to pay a fine of \$1,000. Upon termination of that contractual employment, the person's retirement annuity or retirement pension payments shall resume and, if appropriate, be recalculated under the applicable provisions of this Code.

(i) (Blank).

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

(Source: P.A. 100-23, eff. 7-6-17; 100-201, eff. 8-18-17; 100-563, eff. 12-8-17; 100-611, eff. 7-20-18; 100-1166, eff. 1-4-19; 101-610, eff. 1-1-20.)

(40 ILCS 5/12-130) (from Ch. 108 1/2, par. 12-130)

Sec. 12-130. Retirement prior to age 60. An employee withdrawing prior to January 1, 1990 with at least 10 years of service and before attainment of age 55 shall be entitled at his option to a retirement annuity beginning at age 55.

An employee withdrawing prior to January 1, 1990 with at least 10 years of service upon or after attainment of age 55,

and before age 60, shall be entitled to a retirement annuity beginning at any time thereafter.

An employee who withdraws on or after January 1, 1990 ~~and has attained age 45 before January 1, 2015~~ with at least 10 years of service and prior to age 60 shall be entitled, at his option, to a retirement annuity beginning at any time after withdrawal or attainment of age 50, whichever occurs later. ~~An employee who has not attained age 45 before January 1, 2015 and withdraws on or after that date with at least 10 years of service and prior to age 60 shall be entitled, at his option, to a retirement annuity beginning at any time after withdrawal or attainment of age 58, whichever occurs later.~~

~~Notwithstanding Section 1-103.1, the changes to this Section made by this amendatory Act of the 98th General Assembly apply regardless of whether the employee was in active service on or after the effective date of this amendatory Act, but do not apply to a person whose service under this Article is subject to Section 1-160.~~

Any employee upon withdrawal after at least 15 years of service, upon or after attainment of age 50, and before attainment of age 55, who received ordinary disability benefit for the maximum period of time provided herein, and who continues to be disabled, shall be entitled to a retirement annuity.

The amount of retirement annuity for any employee who entered service prior to July 1, 1971 shall be provided from

the total of the accumulations as stated in this Section, at the employee's attained age on the date of retirement:

(a) the accumulation from employee contributions for service annuity on the date of withdrawal, improved by regular interest from the date the employee withdraws to the date he enters upon annuity;

(b) 1/10 of the accumulation, on the date of withdrawal, from employer contributions for service annuity, for each complete year of service above 10 years up to 100% of such accumulation, improved by regular interest from the date the employee withdraws to the date he enters upon annuity.

(Source: P.A. 86-272; 86-1028.)

(40 ILCS 5/12-133.1) (from Ch. 108 1/2, par. 12-133.1)

Sec. 12-133.1. Annual increase in basic retirement annuity.

(a) Any employee upon withdrawal from service on or after July 1, 1965, and retiring on a retirement annuity, shall be entitled to an annual increase in his basic retirement annuity as defined herein while he is in receipt of such annuity.

The term "basic retirement annuity" shall mean the retirement annuity of the amount fixed and payable at date of retirement of the employee.

(b) The annual increase in annuity shall be 1 1/2% of the basic retirement annuity. The increase shall first occur in

the month of January or the month of July, whichever first occurs next following or coincidental with the first anniversary of retirement. Effective January 1, 1972, the annual rate of increase in annuity thereafter shall be 2% of the basic retirement annuity, provided that beginning as of January 1, 1976, the annual rate of increase shall be 3% of the basic retirement annuity.

~~(b 1) Notwithstanding subsection (b), all automatic annual increases payable under this Section on or after January 1, 2015 shall be calculated at 3% or one half the annual unadjusted percentage increase (but not less than 0) in the Consumer Price Index-U for the 12 months ending with the September preceding each November 1, whichever is less, of the originally granted retirement annuity.~~

~~For the purposes of this Article, "Consumer Price Index-U" means the index published by the Bureau of Labor Statistics of the United States Department of Labor that measures the average change in prices of goods and services purchased by all urban consumers, United States city average, all items, 1982-84 = 100. The new amount resulting from each annual adjustment shall be determined by the Public Pension Division of the Department of Insurance.~~

~~Notwithstanding Section 1-103.1, this subsection (b 1) is applicable without regard to whether the employee was in active service on or after the effective date of this amendatory Act of the 98th General Assembly. This subsection~~

~~(b-1) is also applicable to any former employee who on or after the effective date of this amendatory Act of the 98th General Assembly is receiving a retirement annuity pursuant to the provisions of this Section.~~

~~(b-2) Notwithstanding any other provision of this Article, no automatic annual increase in retirement annuity payable under this Section shall be granted to any person by the Fund in 2015, 2017, and 2019 under this Article or under Section 1-160 of this Code as it applies to this Article. In the years 2016, 2018, 2020, and thereafter, the Fund shall continue to pay amounts accruing from automatic annual increases in the manner provided by this Code.~~

~~Notwithstanding Section 1-103.1, this subsection (b-2) is applicable without regard to whether the employee was in active service on or after the effective date of this amendatory Act of the 98th General Assembly. This subsection (b-2) is also applicable to any former employee who on or after the effective date of this amendatory Act of the 98th General Assembly is receiving a retirement annuity pursuant to the provisions of this Article.~~

(c) For an employee who retires with less than 30 years of service, the increase in the basic retirement annuity shall begin not earlier than in the month of January or the month of July, whichever occurs first, following or coincidental with the employee's attainment of age 60.

For ~~Subject to the provisions of subsection (b-2), for an~~

employee who retires with at least 30 years of service, the annual increase under this Section shall begin in the month of January or the month of July, whichever first occurs next following or coincidental with the later of (1) the first anniversary of retirement or (2) July 1, 1998, without regard to the attainment of age 60 and without regard to whether or not the employee was in service on or after the effective date of this amendatory Act of 1998.

(d) The increase in the basic retirement annuity shall not be applicable unless the employee otherwise qualified has made contributions to the fund as provided herein for an equivalent period of one full year. If such contributions were not made, the employee may make the required payment to the fund at the time of retirement, in a single sum, without interest.

(e) The additional contributions by an employee towards the annual increase in basic retirement annuity shall not be refundable, except to an employee who withdraws and applies for a refund under this Article, or dies while in service, and also in cases where a temporary annuity becomes payable. In such cases his contributions shall be refunded without interest.

(Source: P.A. 90-766, eff. 8-14-98.)

(40 ILCS 5/12-133.2) (from Ch. 108 1/2, par. 12-133.2)

Sec. 12-133.2. Increases to employee annuitants. ~~The provisions of subsections (b 1) and (b 2) of Section 12 133.1~~



~~also apply to the benefits provided under this Section.~~

Employees who retired on service retirement annuity prior to July 1, 1965 who were at least 55 years of age at date of retirement and had at least 20 years of credited service, who shall have attained age 65, and any employee retired on or after such date who meets such qualifying conditions and who is not eligible for an annual increase in basic retirement annuity otherwise provided in this Article, shall be entitled to receive benefits under this Section.

These benefits shall be in an amount equal to 1 1/2% of the service retirement annuity multiplied by the number of full years that the annuitant was in receipt of such annuity. This payment shall begin in January of 1970, and an additional 1 1/2% based upon the original grant of annuity shall be added in January of each year thereafter. Beginning January 1, 1972, the annual rate of increase in annuity shall be 2% of the original grant of annuity and shall also apply thereafter to any person who shall have had at least 15 years of credited service and less than 20 years on the same basis as was applicable to persons retired with 20 or more years of service; provided that beginning January 1, 1976, the annual rate of increase in retirement annuity shall be 3% of the basic retirement annuity.

An employee annuitant who otherwise qualifies for the aforesaid benefit shall make a one-time contribution of 1% of the final monthly average salary multiplied by the number of

completed years of service forming the basis of his service retirement annuity, provided that if the annuity was computed on any other basis, the contribution shall be 1% of the rate of monthly salary in effect on the date of retirement multiplied by the number of completed years of service forming the basis of his service retirement annuity.

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

(40 ILCS 5/12-140) (from Ch. 108 1/2, par. 12-140)

Sec. 12-140. Duty disability benefit. An employee who becomes disabled as the direct result of injury incurred in the performance of an act of duty and cannot perform the duties of the regularly assigned position, is entitled to receive, while so disabled, a benefit of 75% of the salary at the date when such duty disability benefits commence, subject to the conditions hereinafter stated, ~~except that beginning January 1, 2015, such duty disability benefits shall be reduced to 74% of that salary; beginning January 1, 2017, such duty disability benefits shall be reduced to 73% of that salary; and beginning January 1, 2019, such duty disability benefits shall be reduced to 72% of that salary.~~

In the event an employee returns to service from any duty disability and renders actual employment in pay status performing the duties of the regularly assigned position for at least 60 days, and again becomes disabled, whether due to the previous disability or a new disability, the salary to be

used in the computation of the benefit shall be the salary in effect at the date of the last day of service prior to the latest disability.

The employee shall also receive a further benefit of \$20 per month on account of each eligible minor child as prescribed in Section 12-137, but the combined benefit to employee and children shall not exceed the annual salary at the date of such disability less the sums that would be deducted from his salary for service annuity and spouse's service annuity.

The benefit prescribed herein shall be payable during disability until the employee attains age 65, if disability is incurred before age 60, or for a period of 5 years if disability is incurred at age 60 or older. If the disability is incurred after age 65, this 5 year period may be reduced if such reduction can be justified on the basis of actuarial cost data approved by the board upon the recommendation of the actuary. At such time if the employee remains disabled the employee may retire on a retirement annuity.

If an employee dies as the direct result of injury incurred in the performance of an act of duty, or if death results from any cause which is compensable under the Workers' Occupational Diseases Act, a surviving spouse shall be entitled to a benefit (subject to the modifications stated in Section 12-141) of 50% of the employee's salary as it was at the date of injury resulting in death, until the date when the

employee would have attained age 65, if injury was incurred under age 60, or for a period of 5 years if disability is incurred at age 60 or older. After such date, the spouse shall be entitled to receive the reversionary annuity that would have been fixed had the employee continued in service at the rate of salary received at the date of his injury resulting in death, until the employee attained age 65 or as stated herein and had then retired.

If a spouse remarries while under age 55 while in receipt of a benefit under this section, the benefit shall terminate. Such termination shall be final and shall not be affected by any change thereafter in his or her marital status.

~~Notwithstanding Section 1-103.1, the changes to this Section made by this amendatory Act of the 98th General Assembly apply to duty disability benefits payable on or after January 1, 2015, regardless of whether the recipient is deemed to be in service on or after the effective date of this amendatory Act.~~

(Source: P.A. 86-272.)

(40 ILCS 5/12-149) (from Ch. 108 1/2, par. 12-149)

Sec. 12-149. Financing.

(a) ~~(a)~~ The board of park commissioners of any such park district shall annually levy a tax (in addition to the taxes now authorized by law) upon all taxable property embraced in the district, at the rate which, when added to the employee

contributions under this Article and applied to the fund created hereunder, shall be sufficient to provide for the purposes of this Article in accordance with the provisions thereof. Such tax shall be levied and collected with and in like manner as the general taxes of such district, and shall not in any event be included within any limitations of rate for general park purposes as now or hereafter provided by law, but shall be excluded therefrom and be in addition thereto.

The amount of such annual tax to and including the year 1977 shall not exceed .0275% of the value, as equalized or assessed by the Department of Revenue, of all taxable property embraced within the park district, provided that for the year 1978, and for each year thereafter, the amount of such annual tax shall be at a rate on the dollar of assessed valuation of all taxable property that will produce, when extended, for the year 1978 the following sum: 0.825 times the amount of employee contributions during the fiscal year 1976; for the year 1979, 0.85 times the amount of employee contributions during the fiscal year 1977; for the year 1980, 0.90 times the amount of employee contributions during the fiscal year 1978; for the year 1981, 0.95 times the amount of employee contributions during the fiscal year 1979; for the year 1982, 1.00 times the amount of employee contributions during the fiscal year 1980; for the year 1983, 1.05 times the amount of contributions made on behalf of employees during the fiscal year 1981; and for the year 1984 and each year thereafter

through the year ~~2019~~ 2013, an amount equal to 1.10 times the employee contributions during the fiscal year 2-years prior to the year for which the applicable tax is levied. Beginning in levy year 2020, and in each year thereafter, the levy shall not exceed the amount of the Park District's total required contribution to the Fund for the next payment year, as determined under this subsection. Beginning payment year 2021, the Park District's required annual contribution shall be as follows: ~~For the year 2014, this calculation shall be 1.10 times the amount of employee contributions during the 12 month fiscal year ending June 30, 2012; and for the year 2015, this calculation shall be 1.70 times the amount of employee contributions during the 12-month fiscal year ending December 31, 2013. For the year 2016, this calculation shall be an amount equal to 1.70 times; for the years 2017 and 2018, this calculation shall be an amount equal to 2.30 times; and for the year 2019 and each year thereafter, until the Fund attains a funded ratio of at least 90% with the funded ratio being the ratio of the actuarial value of assets to the total actuarial liability, this calculation shall be an amount equal to 2.90 times the employee contributions during the fiscal year 2 years prior to the year for which the applicable tax is levied. Beginning in the fiscal year in which the Fund attains a funding ratio of at least 90%, the contribution shall be the lesser of (1) 2.90 times the employee contributions during the fiscal year 2 years prior to the year for which the applicable~~

~~tax is levied, or (2) the amount needed to maintain a funded ratio of 90%.~~

For payment year 2021, the Park District's required annual contribution to the Fund shall be one-fourth of the amount, as determined by an actuary retained by the Fund, equal to the sum of (i) the Park District's portion of the projected normal cost for that fiscal year, plus (ii) an amount determined by an actuary retained by the Fund, using a 35-year period starting on December 31, 2020 with the entry age normal actuarial cost method, that is sufficient to bring the total actuarial assets of the Fund up to 100% of the total actuarial accrued liabilities of the Fund by the end of 2055.

For payment year 2022, the Park District's required annual contribution to the Fund shall be one-half of the amount, as determined by an actuary retained by the Fund, equal to the sum of (i) the Park District's portion of the projected normal cost for that fiscal year, plus (ii) an amount determined by an actuary retained by the Fund, using a 35-year period starting on December 31, 2021 with the entry age normal actuarial cost method, that is sufficient to bring the total actuarial assets of the Fund up to 100% of the total actuarial accrued liabilities of the Fund by the end of 2056.

For payment year 2023, the Park District's required annual contribution to the Fund shall be three-fourths of the amount, as determined by an actuary retained by the Fund, equal to the sum of (i) the Park District's portion of the projected normal

cost for that fiscal year, plus (ii) an amount determined by an actuary retained by the Fund, using a 35-year period starting on December 31, 2022 with the entry age normal actuarial cost method, that is sufficient to bring the total actuarial assets of the Fund up to 100% of the total actuarial accrued liabilities of the Fund by the end of 2057.

For payment years 2024 through 2058, the Park District's required annual contribution to the Fund shall be the amount, as determined by an actuary retained by the Fund, equal to the sum of (i) the Park District's portion of the projected normal cost for that fiscal year, plus (ii) an amount determined by an actuary retained by the Fund, using a 35-year period starting on December 31, 2023 with the entry age normal actuarial cost method, that is sufficient to bring the total actuarial assets of the Fund up to 100% of the total actuarial accrued liabilities of the Fund by the end of 2058.

For payment year 2059 and each year thereafter, the Park District's required annual contribution to the Fund shall be the amount, as determined by an actuary retained by the Fund, if any, needed to bring the total actuarial assets of the Fund up to 100% of the total actuarial accrued liabilities of the Fund, using the entry age normal actuarial cost method, as of the end of the year.

In making determinations under this subsection, any actuarial gains or losses from investment returns that differ from the expected investment returns incurred in a fiscal year



shall be recognized in equal annual amounts over the 5-year period following the fiscal year.

As used in this Section, "payment year" means the year immediately following the levy year.

(b) In addition to the contributions required under the other provisions of this Article, no later than November 1, 2021 the employer shall contribute \$40,000,000 to the Fund. The additional employer contributions required under this subsection (b) are intended to decrease the unfunded liability of the Fund and shall not decrease the amount of the employer contributions required under the other provisions of this Article. The additional employer contributions made under this subsection (b) may be used by the Fund for any of its lawful purposes. ~~In addition to the contributions required under the other provisions of this Article, by November 1 of the following specified years, the employer shall contribute to the Fund the following specified amounts: \$12,500,000 in 2015; \$12,500,000 in 2016; and \$50,000,000 in 2019. The additional employer contributions required under this subsection (a) are intended to decrease the unfunded liability of the Fund and shall not decrease the amount of the employer contributions required under the other provisions of this Article. The additional employer contributions made under this subsection (a) may be used by the Fund for any of its lawful purposes.~~

(c) ~~(b)~~ As used in this Section, the term "employee contributions" means contributions by employees for retirement

annuity, spouse's annuity, automatic increase in retirement annuity, and death benefit.

In making required contributions under this Section, the employer may, in lieu of levying all or a portion of the tax required under this Section, deposit an amount not less than the required amount of employer contributions derived from any source legally available for that purpose. ~~In making required contributions under this Section, the employer may, in lieu of levying all or a portion of the tax required under this Section, deposit an amount not less than the required amount of employer contributions derived from any source legally available for that purpose.~~

(d) ~~(e)~~ In respect to park district employees, other than policemen, who are transferred to the employment of a city by virtue of the "Exchange of Functions Act of 1957", the corporate authorities of the city shall annually levy a tax upon all taxable property embraced in the city, as equalized or assessed by the Department of Revenue, at such rate per cent of the value of such property as shall be sufficient, when added to the amounts deducted from the salary or wages of such employees, to provide the benefits to which such employees, their dependents and beneficiaries are entitled under the provisions of this Article. The park district shall not levy a tax hereunder in respect to such employees. The tax levied by the city under authority of this Article shall be in addition to and exclusive of all other taxes authorized by law to be

levied by the city for corporate, annuity fund or other purposes.

(e) ~~(d)~~ All moneys accruing from the levy and collection of taxes, pursuant to this section, shall be remitted to the board by the employers as soon as they are received. Where a city has levied a tax pursuant to this Section in respect to park district employees transferred to the employment of a city, the treasurer of such city or other authorized officer shall remit the moneys accruing from the levy and collection of such tax as soon as they are received. Such remittances shall be made upon a pro rata share basis, whereby each employer shall pay to the board such employer's proportionate percentage of each payment of taxes received by it, according to the ratio which its tax levy for this fund bears to the total tax levy of such employer.

(f) ~~(e)~~ Should any board of park commissioners included under the provisions of this Article be without authority to levy the tax provided in this Section the corporation authorities (meaning the supervisor, clerk and assessor) of the town or towns for which such board shall be the board of park commissioners shall levy such tax.

(g) ~~(f)~~ Employer contributions to the Fund may be reduced by \$5,000,000 for calendar years 2004 and 2005.

(Source: P.A. 97-973, eff. 8-16-12.)

Sec. 12-150. Contributions by employees for service annuity.

(a) From each payment of salary to a present employee beginning August 4, 1961, and prior to September 1, 1971, there shall be deducted as contributions for service annuity 6% of such payment. Beginning September 1, 1971, the deduction shall be 6 1/2% of salary. ~~Beginning January 1, 2015, the deduction shall be 8% of salary. Beginning January 1, 2017, the deduction shall be 9% of salary. Beginning January 1, 2019, the deduction shall be 10% of salary.~~ These contributions shall continue until the amounts thus deducted will provide an accumulation, at regular interest, at least equal to the amount that would be provided on such date from employee contributions, assuming regular interest to such date, if such employee had been contributing in accordance with the provisions of "The 1919 Act" and this Article from the beginning of his service and the salary of the employee during his prior service was the same as it was on July 1, 1919, or on July 1, 1937 in the case of an employee of the board.

(b) From each payment of salary to a future entrant beginning August 4, 1961, and prior to September 1, 1971, there shall be deducted as contributions for service annuity 6% of such payment. Beginning September 1, 1971, the deduction shall be 6 1/2% of salary. Beginning January 1, 1990, the deduction shall be 7% of salary, except that the deduction shall be 9% of salary for a person who first becomes an

employee on or after January 1, 2022 or who makes the election under item (i) of subsection (d-15) of Section 1-160.  
~~Beginning January 1, 2015, the deduction shall be 8% of salary. Beginning January 1, 2017, the deduction shall be 9% of salary. Beginning January 1, 2019, the deduction shall be 10% of salary. Beginning with the first pay period on or after the date when the funded ratio of the Fund is first determined to have reached the 90% funding goal, and each pay period thereafter for as long as the Fund maintains a funding ratio of 90% or more, employee contributions shall be 8.5% of salary for the service annuity. If the funding ratio falls below 90%, then employee contributions for the service annuity shall revert to 10% of salary until such time as the Fund once again is determined to have reached the 90% funding goal, at which time the 8.5% of salary employee contribution for the service annuity shall resume.~~

(c) For service rendered prior to August 4, 1961, the rates of contribution by employees for service annuity shall be as follows: July 1, 1919 to July 20, 1947, inclusive, 4% of salary; July 21, 1947 to August 3, 1961, inclusive, 5% of salary.

For the period from July 1, 1919, to August 4, 1961 such deductions for a present employee shall continue until such date as the amounts deducted will provide an accumulation at least equal to that which would be provided on such date, assuming regular interest to such date, from deductions from

salary of such employee if such employee had been under the provisions of "The 1919 Act" and this Article from the beginning of his service and the salary of such employee during his period of prior service was the same as it was on July 1, 1919 or on July 1, 1937 in the case of an employee of the board.

(d) Any employee shall have the option to contribute for service annuity an amount, together with regular interest, equal to the difference between the amount he had accumulated in the fund on June 30, 1947, from contributions at the rate of 4% of salary, together with regular interest, and the amount he would have accumulated, together with regular interest, if he had made contributions at the rate of 5% of salary. All such contributions shall be subject to salary limitations and other conditions in effect prior to July 1, 1947. Upon making such contribution the employer of such employee shall contribute in the ratio of 2 to 1 with such employee.

(Source: P.A. 86-272.)

Section 20. (a) Public Act 98-622 added Section 12-195 to the Illinois Pension Code. Section 97 of Public Act 98-622 provided:

The changes made by this amendatory Act are inseverable, except that Section 12-195 of the Illinois Pension Code is severable under Section 1.31 of the Statute on Statutes.

(b) On March 1, 2018, the Circuit Court of Cook County entered a Memorandum and Order in David Biedron, et al. v. Park Employees' and Retirement Board Employees' Annuity and Benefit Fund, et al., case number 15 CH 14869. The Memorandum and Order, inter alia, held:

The legislative history of Public Act 098-0622 is clear that its purpose was to establish a comprehensive scheme to reform the Fund and enable it to achieve long-term financial stability. (District's MSJ. Ex, B). It is clear from the Act itself and the legislative history that the provisions of the Act were intended to work together to achieve this purpose. Section 12-195, the sole remaining provision of the Act, cannot by itself accomplish the General Assembly's purpose in enacting Public Act 098-0622. The invalidation of every provision of the Act except §12-195 severely undercuts the General Assembly's purpose in enacting Public Act 098-0622 and, therefore, §12-195 is also inseverable.

Based on Public Act 098-0622's severability provision and Illinois case law, the unchallenged sections of Public Act 098-0622 are not severable and the entire Act must be declared void. Plaintiffs are entitled to a declaration that Public Act 098-0622 is unconstitutional and unenforceable in its entirety under the Pension Clause.

An Agreed Order was entered in that case on January 8, 2019 to resolve certain matters.

(c) The purpose of the reenactment of Section 12-195 of the Illinois Pension Code in Section 20 of this Act is to remove any question as to the validity or content of Section 12-195 of the Illinois Pension Code. This Act is not intended to supersede any other Public Act that amends the text of Section 12-195 of the Illinois Pension Code.

Section 25. Section 12-195 of the Illinois Pension Code is reenacted as follows:

(40 ILCS 5/12-195)

Sec. 12-195. Application and expiration of new benefit increases.

(a) As used in this Section, "new benefit increase" means an increase in the amount of any benefit provided under this Article, or an expansion of the conditions of eligibility for any benefit under this Article, that results from an amendment to this Code that takes effect after the effective date of this amendatory Act of the 98th General Assembly.

(b) Notwithstanding any other provision of this Code or any subsequent amendment to this Code, every new benefit increase is subject to this Section and shall be deemed to be granted only in conformance with and contingent upon compliance with the provisions of this Section.

(c) The Public Act enacting a new benefit increase must identify and provide for payment to the Fund of additional



funding at least sufficient to fund the resulting annual increase in cost to the Fund as it accrues.

Every new benefit increase is contingent upon the General Assembly providing the additional funding required under this subsection (c). The State Actuary shall analyze whether adequate additional funding has been provided for the new benefit increase. A new benefit increase created by a Public Act that does not include the additional funding required under this subsection (c) is null and void. If the State Actuary determines that the additional funding provided for a new benefit increase under this subsection (c) is or has become inadequate, it may so certify to the Governor and the State Comptroller and, in the absence of corrective action by the General Assembly, the new benefit increase shall expire at the end of the fiscal year in which the certification is made.

(Source: P.A. 98-622, eff. 6-1-14.)

(40 ILCS 5/12-150.5 rep.)

(40 ILCS 5/12-155.5 rep.)

Section 30. The Illinois Pension Code is amended by repealing Sections 12-150.5 and 12-155.5.

Section 90. The State Mandates Act is amended by adding Section 8.45 as follows:

(30 ILCS 805/8.45 new)

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Sec. 8.45. Exempt mandate. Notwithstanding Sections 6 and 8 of this Act, no reimbursement by the State is required for the implementation of any mandate created by this amendatory Act of the 102nd General Assembly.

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