



Sen. Robert F. Martwick

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10400HB3193sam002

LRB104 06092 RPS 26750 a

1 AMENDMENT TO HOUSE BILL 3193

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 3193, AS AMENDED,  
3 by replacing everything after the enacting clause with the  
4 following:

5 "Article 1.

6 Section 1-5. The Illinois Pension Code is amended by  
7 changing Section 17-149 as follows:

8 (40 ILCS 5/17-149) (from Ch. 108 1/2, par. 17-149)

9 Sec. 17-149. Cancellation of pensions.

10 (a) If any person receiving a disability retirement  
11 pension from the Fund is re-employed as a teacher by an  
12 Employer, the pension shall be cancelled on the date the  
13 re-employment begins, or on the first day of a payroll period  
14 for which service credit was validated, whichever is earlier.

15 (b) If any person receiving a service retirement pension

1 from the Fund is re-employed as a teacher on a permanent or  
2 annual basis by an Employer, the pension shall be cancelled on  
3 the date the re-employment begins, or on the first day of a  
4 payroll period for which service credit was validated,  
5 whichever is earlier. However, subject to the limitations and  
6 requirements of subsection (c-5), (c-6), (c-7), or (c-10), the  
7 pension shall not be cancelled in the case of a service  
8 retirement pensioner who is re-employed on a temporary and  
9 non-annual basis or on an hourly basis.

10 (c) If the date of re-employment on a permanent or annual  
11 basis occurs within 5 school months after the date of previous  
12 retirement, exclusive of any vacation period, the member shall  
13 be deemed to have been out of service only temporarily and not  
14 permanently retired. Such person shall be entitled to pension  
15 payments for the time he could have been employed as a teacher  
16 and received salary, but shall not be entitled to pension for  
17 or during the summer vacation prior to his return to service.

18 When the member again retires on pension, the time of  
19 service and the money contributed by him during re-employment  
20 shall be added to the time and money previously credited. Such  
21 person must acquire 3 consecutive years of additional  
22 contributing service before he may retire again on a pension  
23 at a rate and under conditions other than those in force or  
24 attained at the time of his previous retirement.

25 (c-5) For school years beginning on or after July 1, 2019  
26 and before July 1, 2022, the service retirement pension shall

1 not be cancelled in the case of a service retirement pensioner  
2 who is re-employed as a teacher on a temporary and non-annual  
3 basis or on an hourly basis, so long as the person (1) does not  
4 work as a teacher for compensation on more than 120 days in a  
5 school year or (2) does not accept gross compensation for the  
6 re-employment in a school year in excess of (i) \$30,000 or (ii)  
7 in the case of a person who retires with at least 5 years of  
8 service as a principal, an amount that is equal to the daily  
9 rate normally paid to retired principals multiplied by 100.  
10 These limitations apply only to school years that begin on or  
11 after July 1, 2019 and before July 1, 2022. Such re-employment  
12 does not require contributions, result in service credit, or  
13 constitute active membership in the Fund.

14 The service retirement pension shall not be cancelled in  
15 the case of a service retirement pensioner who is re-employed  
16 as a teacher on a temporary and non-annual basis or on an  
17 hourly basis, so long as the person (1) does not work as a  
18 teacher for compensation on more than 100 days in a school year  
19 or (2) does not accept gross compensation for the  
20 re-employment in a school year in excess of (i) \$30,000 or (ii)  
21 in the case of a person who retires with at least 5 years of  
22 service as a principal, an amount that is equal to the daily  
23 rate normally paid to retired principals multiplied by 100.  
24 These limitations apply only to school years that begin on or  
25 after August 8, 2012 (the effective date of Public Act 97-912)  
26 and before July 1, 2019. Such re-employment does not require

1 contributions, result in service credit, or constitute active  
2 membership in the Fund.

3 Notwithstanding the 120-day limit set forth in item (1) of  
4 this subsection (c-5), the service retirement pension shall  
5 not be cancelled in the case of a service retirement pensioner  
6 who teaches only driver education courses after regular school  
7 hours and does not teach any other subject area, so long as the  
8 person does not work as a teacher for compensation for more  
9 than 900 hours in a school year. The \$30,000 limit set forth in  
10 subitem (i) of item (2) of this subsection (c-5) shall apply to  
11 a service retirement pensioner who teaches only driver  
12 education courses after regular school hours and does not  
13 teach any other subject area.

14 To be eligible for such re-employment without cancellation  
15 of pension, the pensioner must notify the Fund and the Board of  
16 Education of his or her intention to accept re-employment  
17 under this subsection (c-5) before beginning that  
18 re-employment (or if the re-employment began before August 8,  
19 2012 (the effective date of Public Act 97-912), then within 30  
20 days after that effective date).

21 An Employer must certify to the Fund the temporary and  
22 non-annual or hourly status and the compensation of each  
23 pensioner re-employed under this subsection at least  
24 quarterly, and when the pensioner is approaching the earnings  
25 limitation under this subsection.

26 If the pensioner works more than 100 days or accepts

1 excess gross compensation for such re-employment in any school  
2 year that begins on or after August 8, 2012 (the effective date  
3 of Public Act 97-912), the service retirement pension shall  
4 thereupon be cancelled.

5 If the pensioner who only teaches drivers education  
6 courses after regular school hours works more than 900 hours  
7 or accepts excess gross compensation for such re-employment in  
8 any school year that begins on or after August 12, 2016 (the  
9 effective date of Public Act 99-786), the service retirement  
10 pension shall thereupon be cancelled.

11 If the pensioner works more than 120 days or accepts  
12 excess gross compensation for such re-employment in any school  
13 year that begins on or after July 1, 2019, the service  
14 retirement pension shall thereupon be cancelled.

15 The Board of the Fund shall adopt rules for the  
16 implementation and administration of this subsection.

17 (c-6) For school years beginning on or after July 1, 2022  
18 and before July 1, 2027, the service retirement pension shall  
19 not be cancelled in the case of a service retirement pensioner  
20 who is re-employed as a teacher or an administrator on a  
21 temporary and non-annual basis or on an hourly basis, so long  
22 as the person does not work as a teacher or an administrator  
23 for compensation on more than 140 days in a school year. Such  
24 re-employment does not require contributions, result in  
25 service credit, or constitute active membership in the Fund.

26 (c-7) For school years beginning on or after July 1, 2027,

1 the service retirement pension shall not be cancelled in the  
2 case of a service retirement pensioner who is re-employed as a  
3 teacher or an administrator on a temporary and non-annual  
4 basis or on an hourly basis, so long as the person does not  
5 work as a teacher or an administrator for compensation on more  
6 than 120 days in a school year. Such re-employment does not  
7 require contributions, result in service credit, or constitute  
8 active membership in the Fund.

9 (c-10) Until June 30, 2027, the service retirement pension  
10 of a service retirement pensioner shall not be cancelled if  
11 the service retirement pensioner is employed in a subject  
12 shortage area and the Employer that is employing the service  
13 retirement pensioner meets the following requirements:

14 (1) If the Employer has honorably dismissed, within  
15 the calendar year preceding the beginning of the school  
16 term for which it seeks to employ a service retirement  
17 pensioner under this subsection, any teachers who are  
18 legally qualified to hold positions in the subject  
19 shortage area and have not yet begun to receive their  
20 service retirement pensions under this Article, the vacant  
21 positions must first be tendered to those teachers.

22 (2) For a period of at least 90 days during the 6  
23 months preceding the beginning of either the fall or  
24 spring term for which it seeks to employ a service  
25 retirement pensioner under this subsection, the Employer  
26 must, on an ongoing basis, (i) advertise its vacancies in

1 the subject shortage area in employment bulletins  
2 published by college and university placement offices  
3 located near the school; (ii) search for teachers legally  
4 qualified to fill those vacancies through the Illinois  
5 Education Job Bank; and (iii) post all vacancies on the  
6 Employer's website and list the vacancy in an online job  
7 portal or database.

8 An Employer of a teacher who is unable to continue  
9 employment with the Employer because of documented illness,  
10 injury, or disability that occurred after being hired by the  
11 Employer under this subsection is exempt from the provisions  
12 of paragraph (2) for 90 school days. However, the Employer  
13 must on an ongoing basis comply with items (i), (ii), and (iii)  
14 of paragraph (2).

15 The Employer must submit documentation of its compliance  
16 with this subsection to the regional superintendent. Upon  
17 receiving satisfactory documentation from the Employer, the  
18 regional superintendent shall certify the Employer's  
19 compliance with this subsection to the Fund.

20 (c-15) If a service retirement pension is required to be  
21 canceled because the service retirement pensioner worked more  
22 than the number of days allowed under this Section in any  
23 school year, the service retirement pension benefit shall be  
24 withheld on a pro rata basis for each day worked in excess of  
25 the number of days allowed under this Section.

26 If a service retirement pensioner who only teaches drivers

1 education courses after regular school hours works more than  
2 900 hours in any school year, the service retirement pension  
3 benefit shall be withheld on a pro rata basis for each period  
4 of 7.5 hours in excess of 900 hours.

5 (d) Notwithstanding Sections 1-103.1 and 17-157, the  
6 changes to this Section made by Public Act 90-32 apply without  
7 regard to whether termination of service occurred before the  
8 effective date of that Act and apply retroactively to August  
9 23, 1989.

10 Notwithstanding Sections 1-103.1 and 17-157, the changes  
11 to this Section and Section 17-106 made by Public Act 92-599  
12 apply without regard to whether termination of service  
13 occurred before June 28, 2002 (the effective date of Public  
14 Act 92-599).

15 Notwithstanding Sections 1-103.1 and 17-157, the changes  
16 to this Section made by Public Act 97-912 apply without regard  
17 to whether termination of service occurred before August 8,  
18 2012 (the effective date of Public Act 97-912).

19 The changes made by this amendatory Act of the 104th  
20 General Assembly are retroactive to July 1, 2020. All service  
21 retirement pensioners whose service retirement pensions were  
22 canceled as a result of re-employment as a teacher pursuant to  
23 this Section during the period of July 1, 2020 through the  
24 effective date of this amendatory Act of the 104th General  
25 Assembly shall have their overpayments recalculated on a pro  
26 rata basis consistent with the changes made by this amendatory

1 Act of the 104th General Assembly, and the difference between  
2 the initial overpayment and the recalculated overpayment shall  
3 be refunded to those service retirement pensioners with  
4 interest.

5 (Source: P.A. 102-1013, eff. 5-27-22; 102-1090, eff. 6-10-22;  
6 103-154, eff. 6-30-23; 103-588, eff. 6-5-24.)

7 Article 2.

8 Section 2-5. The Illinois Pension Code is amended by  
9 changing Section 7-137.1 as follows:

10 (40 ILCS 5/7-137.1) (from Ch. 108 1/2, par. 7-137.1)

11 Sec. 7-137.1. Elected officials.

12 (a) A person holding an elective office who has elected to  
13 participate in the Fund while in that office may revoke that  
14 election and cease participating in the Fund by notifying the  
15 Board in writing before January 1, 1992.

16 Upon such revocation, the person shall forfeit all  
17 creditable service earned while holding that office, and the  
18 Board shall refund to the person, without interest, all  
19 employee contributions paid for the forfeited creditable  
20 service. The Board shall also refund or credit to the  
21 employing municipality, without interest, the employer  
22 contributions relating to the forfeited service, except those  
23 for death and disability.

1 (b) Notwithstanding the provisions of Sections 7-141 and  
2 7-144, beginning January 1, 1992, a person who holds an  
3 elective office and has not elected to participate in the Fund  
4 with respect to that office (or has revoked his election to  
5 participate with respect to that office under subsection (a)  
6 of this Section) shall not be disqualified from receiving a  
7 retirement annuity by reason of holding such office, provided  
8 that the annuity is not based on any credits received for  
9 participating while holding that office.

10 (c) Notwithstanding any other provision, a person who  
11 holds an elective office and has not elected to participate in  
12 the Fund with respect to that office shall not be disqualified  
13 from receiving service credit for service in that elected  
14 office as long as:

15 (1) the member participated in a non-elected position  
16 with the employer for which the member is now an elected  
17 official;

18 (2) the employer has continued to make member  
19 contributions for that period of service; and

20 (3) there is no gap in service credit between the 2  
21 positions.

22 (Source: P.A. 87-740.)

23 Article 3.

24 Section 3-5. The Illinois Pension Code is amended by

1 changing Sections 13-207, 13-310, and 13-706 as follows:

2 (40 ILCS 5/13-207) (from Ch. 108 1/2, par. 13-207)

3 Sec. 13-207. "Salary": The salary paid to an employee for  
4 service to the District or to the Board, including salary paid  
5 for vacation and sick leave and any amounts deferred under a  
6 deferred compensation plan established under this Code, but  
7 excluding (1) payment for unused vacation or sick leave, (2)  
8 overtime pay, (3) termination pay, and (4) any compensation in  
9 the form of benefits other than the salary. Salary for a member  
10 on a disability benefit is the salary on which the disability  
11 benefit is based.

12 (Source: P.A. 90-12, eff. 6-13-97.)

13 (40 ILCS 5/13-310) (from Ch. 108 1/2, par. 13-310)

14 Sec. 13-310. Ordinary disability benefit.

15 (a) Any employee who becomes disabled as the result of any  
16 cause other than injury or illness incurred in the performance  
17 of duty for the employer or any other employer, or while  
18 engaged in self-employment activities, shall be entitled to an  
19 ordinary disability benefit. The eligible period for this  
20 benefit shall be 25% of the employee's total actual service  
21 prior to the date of disability with a cumulative maximum  
22 period of 5 years.

23 (b) The benefit shall be allowed only if the employee  
24 files an application in writing with the Board that includes

1 ~~and~~ a medical report ~~is submitted~~ by at least one licensed  
2 health care professional and the employee is examined, at  
3 least annually, by a licensed health care professional  
4 appointed by the Board as part of the employee's application.

5 The benefit is not payable for any disability which begins  
6 during any period of unpaid leave of absence. No benefit shall  
7 be allowed for any period of disability prior to 30 days before  
8 application is made, unless the Board finds good cause for the  
9 delay in filing the application. The benefit shall not be paid  
10 during any period for which the employee receives or is  
11 entitled to receive any part of salary.

12 The benefit is not payable for any disability which begins  
13 during any period of absence from duty other than allowable  
14 vacation time in any calendar year. An employee whose  
15 disability begins during any such ineligible period of absence  
16 from service may not receive benefits until the employee  
17 recovers from the disability and is in service for at least 15  
18 consecutive working days after such recovery.

19 In the case of an employee who first enters service on or  
20 after June 13, 1997, an ordinary disability benefit is not  
21 payable for the first 3 days of disability that would  
22 otherwise be payable under this Section if the disability does  
23 not continue for at least 11 additional days.

24 Beginning on August 18, 2005 (the effective date of Public  
25 Act 94-621) ~~this amendatory Act of the 94th General Assembly,~~  
26 an employee who first entered service on or after June 13, 1997

1 is also eligible for ordinary disability benefits on the 31st  
2 day after the last day worked, provided all sick leave is  
3 exhausted.

4 (c) The benefit shall be 50% of the employee's salary at  
5 the date of disability, and shall terminate when the earliest  
6 of the following occurs:

7 (1) The employee returns to work or receives a  
8 retirement annuity paid wholly or in part under this  
9 Article;

10 (2) The disability ceases;

11 (3) The employee willfully and continuously refuses to  
12 follow medical advice and treatment to enable the employee  
13 to return to work. However, l this provision does not apply  
14 to an employee who relies in good faith on treatment by  
15 prayer through spiritual means alone in accordance with  
16 the tenets and practice of a recognized church or  
17 religious denomination, by a duly accredited practitioner  
18 thereof;

19 (4) The employee (i) refuses to submit to a reasonable  
20 physical examination within 30 days of application by a  
21 licensed health care professional appointed by the Board,  
22 (ii) in the case of chronic alcoholism, the employee  
23 refuses to join a rehabilitation program licensed by the  
24 Department of Public Health of the State of Illinois and  
25 certified by the Joint Commission on the Accreditation of  
26 Hospitals, (iii) fails or refuses to consent to and sign

1 an authorization allowing the Board to receive copies of  
2 or to examine the employee's medical and hospital records,  
3 or (iv) fails or refuses to provide complete information  
4 regarding any other employment for compensation he or she  
5 has received since becoming disabled; or

6 (5) The eligibility ~~eligible~~ period for this benefit  
7 has been exhausted.

8 The first payment of the benefit shall be made not later  
9 than one month after the same has been granted, and subsequent  
10 payments shall be made at least monthly.

11 (Source: P.A. 102-210, eff. 7-30-21; 103-523, eff. 1-1-24;  
12 revised 7-17-24.)

13 (40 ILCS 5/13-706) (from Ch. 108 1/2, par. 13-706)

14 Sec. 13-706. Board powers and duties. The Board shall have  
15 the powers and duties set forth in this Section, in addition to  
16 such other powers and duties as may be provided in this Article  
17 and in this Code:

18 (a) To supervise collections. To see that all amounts  
19 specified in this Article to be applied to the Fund, from  
20 any source, are collected and applied.

21 (b) To notify of deductions. To notify the Clerk of  
22 the Water Reclamation District of the deductions to be  
23 made from the salaries of employees.

24 (c) To accept gifts. To accept by gift, grant, bequest  
25 or otherwise any money or property of any kind and use the

1 same for the purposes of the Fund.

2 (d) To invest the reserves. To invest the reserves of  
3 the Fund in accordance with the provisions set forth in  
4 Section 1-109, 1-109.1, 1-109.2, 1-110, 1-111, 1-114, and  
5 1-115 of this Code. Investments made in accordance with  
6 Section 1-113 of Article 1 of this Code shall be deemed  
7 prudent. The Board is also authorized to transfer  
8 securities to the Illinois State Board of Investment for  
9 the purpose of participation in any commingled investment  
10 fund as provided in Article 22A of this Code.

11 (e) To authorize payments. To consider and pass upon  
12 all applications for annuities and benefits; to authorize  
13 or suspend the payment of any annuity or benefit; to  
14 inquire into the validity and legality of any grant of  
15 annuity or benefit paid from or payable out of the Fund; to  
16 increase, reduce, or suspend any such annuity or benefit  
17 whenever the annuity or benefit, or any part thereof, was  
18 secured or granted, or the amount thereof fixed, as the  
19 result of misrepresentation, fraud, or error. No such  
20 annuity or benefit shall be permanently reduced or  
21 suspended until the affected annuitant or beneficiary is  
22 first notified of the proposed action and given an  
23 opportunity to be heard. No trustee of the Board shall  
24 vote upon that trustee's own personal claim for annuity,  
25 benefit or refund, or participate in the deliberations of  
26 the Board as to the validity of any such claim. The Board

1 shall have exclusive original jurisdiction in all matters  
2 of claims for annuities, benefits and refunds.

3 (f) To submit an annual report. To submit a report in  
4 July of each year to the Board of Commissioners of the  
5 Water Reclamation District as of the close of business on  
6 December 31st of the preceding year. The report shall  
7 include the following:

8 (1) A balance sheet, showing the financial and  
9 actuarial condition of the Fund as of the end of the  
10 calendar year;

11 (2) A statement of receipts and disbursements  
12 during such year;

13 (3) A statement showing changes in the asset,  
14 liability, reserve and surplus accounts during such  
15 year;

16 (4) A detailed statement of investments as of the  
17 end of the year; and

18 (5) Any additional information as is deemed  
19 necessary for proper interpretation of the condition  
20 of the Fund.

21 (g) To subpoena witnesses and compel the production of  
22 records. To issue subpoenas to compel the attendance of  
23 witnesses to testify before the Board and to compel the  
24 production of documents and records upon any matter  
25 concerning the Fund, including, but not limited to, in  
26 conjunction with:

1           (1) a disability claim;

2           (2) an administrative review proceeding;

3           (3) an attempt to obtain information to assist in  
4 the collection of sums due to the Fund;

5           (4) obtaining any and all personal identifying  
6 information necessary for the administration of  
7 benefits;

8           (5) the determination of the death of a benefit  
9 recipient or a potential benefit recipient; or

10          (6) a felony forfeiture investigation.

11          The fees of witnesses for attendance and travel shall be  
12 the same as the fees of witnesses before the circuit courts of  
13 this State and shall be paid by the party seeking the subpoena.  
14 The Board may apply to any circuit court in the State for an  
15 order requiring compliance with a subpoena issued under this  
16 Section. Subpoenas issued under this Section shall be subject  
17 to the applicable provisions of the Code of Civil Procedure.  
18 The President or other members of the Board may administer  
19 oaths to witnesses. ~~To compel witnesses to attend and testify~~  
20 ~~before it upon any matter concerning the Fund and allow~~  
21 ~~witness fees not in excess of \$6 for attendance upon any one~~  
22 ~~day. The President and other members of the Board may~~  
23 ~~administer oaths to witnesses.~~

24          (h) To appoint employees and consultants. To appoint  
25          such actuarial, medical, legal, investigational, clerical  
26          or financial employees and consultants as are necessary,

1 and fix their compensation.

2 (i) To make rules. To make rules and regulations  
3 necessary for the administration of the affairs of the  
4 Fund.

5 (j) To waive guardianship. To waive the requirement of  
6 legal guardianship of a person under legal disability or  
7 any minor unmarried beneficiary of the Fund for a  
8 representative managing such person or beneficiary's  
9 affairs, whenever the Board deems such waiver to be in the  
10 best interest of the person or beneficiary.

11 (k) To collect amounts due. To collect any amounts due  
12 to the Fund from any participant or beneficiary prior to  
13 payment of any annuity, benefit or refund.

14 (l) To invoke rule of offset. To offset against any  
15 amount payable to an employee or to any other person such  
16 sums as may be due to the Fund or may have been paid by the  
17 Fund due to misrepresentation, fraud or error.

18 (m) To assess and collect interest on amounts due to  
19 the Fund using the annual rate as shall from time to time  
20 be determined by the Board, compounded annually from the  
21 date of notification to the date of payment.

22 (Source: P.A. 103-523, eff. 1-1-24.)

23 Article 4.

24 Section 4-5. The Illinois Pension Code is amended by

1 changing Section 17-114 as follows:

2 (40 ILCS 5/17-114) (from Ch. 108 1/2, par. 17-114)

3 Sec. 17-114. Computation of service.

4 (a) When computing days of validated service, contributors  
5 shall receive the greater of: (1) one day of service credit for  
6 each day for which they are paid salary representing a partial  
7 or a full day of employment rendered to an Employer or the  
8 Board; or (2) 10 days of service credit for each 10-day period  
9 of employment in which the contributor worked 50% or more of  
10 the regularly scheduled hours.

11 (b) When computing months of validated service, 17 or more  
12 days of service rendered to an Employer or the Board in a  
13 calendar month shall entitle a contributor to one month of  
14 service credit for purposes of this Article.

15 (c) When computing years of validated service rendered,  
16 170 or more days of service in a fiscal year or 10 or more  
17 months of service in a fiscal year shall constitute one year of  
18 service credit.

19 (d) Notwithstanding subsections (b) and (c) of this  
20 Section, validated service in any fiscal year shall be that  
21 fraction of a year equal to the ratio of the number of days of  
22 service to 170 days.

23 (e) For purposes of this Section, no contributor shall  
24 earn (i) more than one year of service credit per fiscal year,  
25 (ii) more than one day of service credit per calendar day, or

1 (iii) more than 10 days of service credit in a 2 calendar week  
2 period as determined by the Fund.

3 (Source: P.A. 99-176, eff. 7-29-15.)

4 Article 8.

5 Section 8-5. The Illinois Pension Code is amended by  
6 changing Section 1-107 as follows:

7 (40 ILCS 5/1-107) (from Ch. 108 1/2, par. 1-107)

8 Sec. 1-107. Indemnification of trustees, consultants, and  
9 employees of retirement systems and pension funds. Every  
10 retirement system, pension fund, or other system or fund  
11 established under this Code shall ~~may~~ indemnify and protect  
12 the trustees, staff, and consultants against all damage claims  
13 and suits, including the defense thereof, when damages are  
14 sought for negligent or wrongful acts alleged to have been  
15 committed in the scope of employment or under the direction of  
16 the trustees. However, the trustees, staff and consultants  
17 shall not be indemnified for willful ~~wilful~~ misconduct and  
18 gross negligence. Each board is authorized to insure against  
19 loss or liability of the trustees, staff and consultants which  
20 may result from these damage claims. This insurance shall be  
21 carried in a company which is licensed to write such coverage  
22 in this State.

23 (Source: P.A. 80-1364.)

1 Article 9.

2 Section 9-5. The Illinois Pension Code is amended by  
3 changing Section 6-151.1 as follows:

4 (40 ILCS 5/6-151.1) (from Ch. 108 1/2, par. 6-151.1)

5 Sec. 6-151.1. The General Assembly finds and declares that  
6 service in the Fire Department requires that firemen, in times  
7 of stress and danger, must perform unusual tasks; that by  
8 reason of their occupation, firemen are subject to exposure to  
9 great heat and to extreme cold in certain seasons while in  
10 performance of their duties; that by reason of their  
11 employment firemen are required to work in the midst of and are  
12 subject to heavy smoke fumes and carcinogenic, poisonous,  
13 toxic or chemical gases from fires; and that in the course of  
14 their rescue and paramedic duties firemen are exposed to  
15 disabling infectious diseases, including AIDS, hepatitis C,  
16 and stroke. The General Assembly further finds and declares  
17 that all the aforementioned conditions exist and arise out of  
18 or in the course of such employment.

19 Any active fireman who has completed 7 or more years of  
20 service and is unable to perform his duties in the Fire  
21 Department by reason of heart disease, tuberculosis, breast  
22 cancer, any disease of the lungs or respiratory tract, AIDS,  
23 hepatitis C, stroke, or a contagious staph infection,

1 including methicillin-resistant *Staphylococcus aureus* (MRSA),  
2 resulting from his service as a fireman, shall be entitled to  
3 receive an occupational disease disability benefit during any  
4 period of such disability for which he does not have a right to  
5 receive salary.

6 Any active fireman who has completed 7 or more years of  
7 service and is unable to perform his duties in the fire  
8 department by reason of a disabling cancer, which develops or  
9 manifests itself during a period while the fireman is in the  
10 service of the department, shall be entitled to receive an  
11 occupational disease disability benefit during any period of  
12 such disability for which he does not have a right to receive  
13 salary. In order to receive this occupational disease  
14 disability benefit, the type of cancer involved must be a type  
15 which may be caused by exposure to heat, radiation or a known  
16 carcinogen as defined by the International Agency for Research  
17 on Cancer.

18 Any fireman receiving a retirement annuity shall be  
19 entitled to an occupational disease disability benefit under  
20 this Section if the fireman (1) has not reached the age of  
21 compulsory retirement, (2) has not been receiving a retirement  
22 annuity for more than 5 years, and (3) has a condition that  
23 would have qualified the fireman for an occupational disease  
24 disability benefit under this Section if he or she was an  
25 active fireman. A fireman who receives an occupational disease  
26 disability benefit in accordance with this paragraph may not

1 receive a retirement annuity during the period in which he or  
2 she receives an occupational disease disability benefit. The  
3 occupational disease disability benefit shall terminate upon  
4 the fireman reaching the age of compulsory retirement.

5 Any fireman who shall enter the service after the  
6 effective date of this amendatory Act shall be examined by one  
7 or more practicing physicians appointed by the Board, and if  
8 that examination discloses impairment of the heart, lungs, or  
9 respiratory tract, or the existence of AIDS, hepatitis C,  
10 stroke, cancer, or a contagious staph infection, including  
11 methicillin-resistant Staphylococcus aureus (MRSA), then the  
12 fireman shall not be entitled to receive an occupational  
13 disease disability benefit unless and until a subsequent  
14 examination reveals no such impairment, AIDS, hepatitis C,  
15 stroke, cancer, or contagious staph infection, including  
16 methicillin-resistant Staphylococcus aureus (MRSA).

17 The occupational disease disability benefit shall be 65%  
18 of the fireman's salary at the time of his removal from the  
19 Department payroll. However, beginning January 1, 1994, no  
20 occupational disease disability benefit that has been payable  
21 under this Section for at least 10 years shall be less than 50%  
22 of the current salary attached from time to time to the rank  
23 and grade held by the fireman at the time of his removal from  
24 the Department payroll, regardless of whether that removal  
25 occurred before the effective date of this amendatory Act of  
26 1993.

1           Such fireman also shall have a right to receive child's  
2           disability benefit of \$30 per month on account of each  
3           unmarried child who is less than 18 years of age or  
4           handicapped, dependent upon the fireman for support, and  
5           either the issue of the fireman or legally adopted by him. The  
6           total amount of child's disability benefit payable to the  
7           fireman, when added to his occupational disease disability  
8           benefit, shall not exceed 75% of the amount of salary which he  
9           was receiving at the time of the grant of occupational disease  
10          disability benefit.

11          The first payment of occupational disease disability  
12          benefit or child's disability benefit shall be made not later  
13          than one month after the benefit is granted. Each subsequent  
14          payment shall be made not later than one month after the date  
15          of the latest payment.

16          Occupational disease disability benefit shall be payable  
17          during the period of the disability until the fireman reaches  
18          the age of compulsory retirement. Child's disability benefit  
19          shall be paid to such a fireman during the period of disability  
20          until such child or children attain age 18 or marry, whichever  
21          event occurs first; except that attainment of age 18 by a child  
22          who is so physically or mentally handicapped as to be  
23          dependent upon the fireman for support, shall not render the  
24          child ineligible for child's disability benefit. The fireman  
25          thereafter shall receive such annuity or annuities as are  
26          provided for him in accordance with other provisions of this

1 Article.

2 (Source: P.A. 102-91, eff. 7-9-21; 102-1064, eff. 6-10-22.)

3 Article 11.

4 Section 11-5. The Illinois Pension Code is amended by  
5 changing Section 15-148 as follows:

6 (40 ILCS 5/15-148) (from Ch. 108 1/2, par. 15-148)

7 Sec. 15-148. Survivors insurance benefits; general  
8 ~~benefits—General~~ provisions. The survivors annuity is  
9 payable monthly. Any annuity due but unpaid upon the death of  
10 the annuitant, shall be paid to the annuitant's estate.

11 A person who becomes entitled to more than one survivors  
12 insurance benefit because of the death of 2 or more persons  
13 shall receive only the largest of the benefits; except that  
14 this limitation does not apply to a survivors insurance  
15 beneficiary who is entitled to a survivor's annuity by reason  
16 of a mental or physical disability.

17 A survivors insurance beneficiary or the personal  
18 representative of the estate of a deceased survivors insurance  
19 beneficiary or the personal representative of a survivors  
20 insurance beneficiary who is under a legal disability may  
21 waive the right to receive survivorship benefits, provided  
22 written notice of the waiver is given by the beneficiary or  
23 representative to the board within 6 months after the System

1 notified that person of the benefits payable upon the death of  
2 the participant or annuitant and before any payment is made  
3 pursuant to an application filed by such person.

4 (Source: P.A. 92-424, eff. 8-17-01.)

5 Article 12.

6 Section 12-5. The Illinois Pension Code is amended by  
7 changing Section 7-172 as follows:

8 (40 ILCS 5/7-172) (from Ch. 108 1/2, par. 7-172)

9 Sec. 7-172. Contributions by participating municipalities  
10 and participating instrumentalities.

11 (a) Each participating municipality and each participating  
12 instrumentality shall make payment to the fund as follows:

13 1. municipality contributions in an amount determined  
14 by applying the municipality contribution rate to each  
15 payment of earnings paid to each of its participating  
16 employees;

17 2. an amount equal to the employee contributions  
18 provided by paragraph (a) of Section 7-173, whether or not  
19 the employee contributions are withheld as permitted by  
20 that Section;

21 3. all accounts receivable, together with interest  
22 charged thereon, as provided in Section 7-209, and any  
23 amounts due under subsection (a-5) of Section 7-144;

1           4. if it has no participating employees with current  
2 earnings, an amount payable which, over a closed period of  
3 20 years for participating municipalities and 10 years for  
4 participating instrumentalities, will amortize, at the  
5 effective rate for that year, any unfunded obligation. The  
6 unfunded obligation shall be computed as provided in  
7 paragraph 2 of subsection (b);

8           5. if it has fewer than 7 participating employees or a  
9 negative balance in its municipality reserve, the greater  
10 of (A) an amount payable that, over a period of 20 years,  
11 will amortize at the effective rate for that year any  
12 unfunded obligation, computed as provided in paragraph 2  
13 of subsection (b) or (B) the amount required by paragraph  
14 1 of this subsection (a).

15           (b) A separate municipality contribution rate shall be  
16 determined for each calendar year for all participating  
17 municipalities together with all instrumentalities thereof.  
18 The municipality contribution rate shall be determined for  
19 participating instrumentalities as if they were participating  
20 municipalities. The municipality contribution rate shall be  
21 the sum of the following percentages:

22           1. The percentage of earnings of all the participating  
23 employees of all participating municipalities and  
24 participating instrumentalities which, if paid over the  
25 entire period of their service, will be sufficient when  
26 combined with all employee contributions available for the

1 payment of benefits, to provide all annuities for  
2 participating employees, and the \$3,000 death benefit  
3 payable under Sections 7-158 and 7-164, such percentage to  
4 be known as the normal cost rate.

5 2. The percentage of earnings of the participating  
6 employees of each participating municipality and  
7 participating instrumentalities necessary to adjust for  
8 the difference between the present value of all benefits,  
9 excluding temporary and total and permanent disability and  
10 death benefits, to be provided for its participating  
11 employees and the sum of its accumulated municipality  
12 contributions and the accumulated employee contributions  
13 and the present value of expected future employee and  
14 municipality contributions pursuant to subparagraph 1 of  
15 this paragraph (b). This adjustment shall be spread over a  
16 period determined by the Board, not to exceed 30 years for  
17 participating municipalities or 10 years for participating  
18 instrumentalities.

19 3. The percentage of earnings of the participating  
20 employees of all municipalities and participating  
21 instrumentalities necessary to provide the present value  
22 of all temporary and total and permanent disability  
23 benefits granted during the most recent year for which  
24 information is available.

25 4. The percentage of earnings of the participating  
26 employees of all participating municipalities and

1 participating instrumentalities necessary to provide the  
2 present value of the net single sum death benefits  
3 expected to become payable from the reserve established  
4 under Section 7-206 during the year for which this rate is  
5 fixed.

6 5. The percentage of earnings necessary to meet any  
7 deficiency arising in the Terminated Municipality Reserve.

8 (c) A separate municipality contribution rate shall be  
9 computed for each participating municipality or participating  
10 instrumentality for its sheriff's law enforcement employees.

11 A separate municipality contribution rate shall be  
12 computed for the sheriff's law enforcement employees of each  
13 forest preserve district that elects to have such employees.  
14 For the period from January 1, 1986 to December 31, 1986, such  
15 rate shall be the forest preserve district's regular rate plus  
16 2%.

17 In the event that the Board determines that there is an  
18 actuarial deficiency in the account of any municipality with  
19 respect to a person who has elected to participate in the Fund  
20 under Section 3-109.1 of this Code, the Board may adjust the  
21 municipality's contribution rate so as to make up that  
22 deficiency over such reasonable period of time as the Board  
23 may determine.

24 (d) The Board may establish a separate municipality  
25 contribution rate for all employees who are program  
26 participants employed under the federal Comprehensive

1     Employment Training Act by all of the participating  
2     municipalities and instrumentalities. The Board may also  
3     provide that, in lieu of a separate municipality rate for  
4     these employees, a portion of the municipality contributions  
5     for such program participants shall be refunded or an extra  
6     charge assessed so that the amount of municipality  
7     contributions retained or received by the fund for all CETA  
8     program participants shall be an amount equal to that which  
9     would be provided by the separate municipality contribution  
10    rate for all such program participants. Refunds shall be made  
11    to prime sponsors of programs upon submission of a claim  
12    therefor and extra charges shall be assessed to participating  
13    municipalities and instrumentalities. In establishing the  
14    municipality contribution rate as provided in paragraph (b) of  
15    this Section, the use of a separate municipality contribution  
16    rate for program participants or the refund of a portion of the  
17    municipality contributions, as the case may be, may be  
18    considered.

19       (e) Computations of municipality contribution rates for  
20    the following calendar year shall be made prior to the  
21    beginning of each year, from the information available at the  
22    time the computations are made, and on the assumption that the  
23    employees in each participating municipality or participating  
24    instrumentality at such time will continue in service until  
25    the end of such calendar year at their respective rates of  
26    earnings at such time.

1           (f) Any municipality which is the recipient of State  
2 allocations representing that municipality's contributions for  
3 retirement annuity purposes on behalf of its employees as  
4 provided in Section 12-21.16 of the Illinois Public Aid Code  
5 shall pay the allocations so received to the Board for such  
6 purpose. Estimates of State allocations to be received during  
7 any taxable year shall be considered in the determination of  
8 the municipality's tax rate for that year under Section 7-171.  
9 If a special tax is levied under Section 7-171, none of the  
10 proceeds may be used to reimburse the municipality for the  
11 amount of State allocations received and paid to the Board.  
12 Any multiple-county or consolidated health department which  
13 receives contributions from a county under Section 11.2 of "An  
14 Act in relation to establishment and maintenance of county and  
15 multiple-county health departments", approved July 9, 1943, as  
16 amended, or distributions under Section 3 of the Department of  
17 Public Health Act, shall use these only for municipality  
18 contributions by the health department.

19           (g) Municipality contributions for the several purposes  
20 specified shall, for township treasurers and employees in the  
21 offices of the township treasurers who meet the qualifying  
22 conditions for coverage hereunder, be allocated among the  
23 several school districts and parts of school districts  
24 serviced by such treasurers and employees in the proportion  
25 which the amount of school funds of each district or part of a  
26 district handled by the treasurer bears to the total amount of

1 all school funds handled by the treasurer.

2 From the funds subject to allocation among districts and  
3 parts of districts pursuant to the School Code, the trustees  
4 shall withhold the proportionate share of the liability for  
5 municipality contributions imposed upon such districts by this  
6 Section, in respect to such township treasurers and employees  
7 and remit the same to the Board.

8 The municipality contribution rate for an educational  
9 service center shall initially be the same rate for each year  
10 as the regional office of education or school district which  
11 serves as its administrative agent. When actuarial data become  
12 available, a separate rate shall be established as provided in  
13 subparagraph (i) of this Section.

14 The municipality contribution rate for a public agency,  
15 other than a vocational education cooperative, formed under  
16 the Intergovernmental Cooperation Act shall initially be the  
17 average rate for the municipalities which are parties to the  
18 intergovernmental agreement. When actuarial data become  
19 available, a separate rate shall be established as provided in  
20 subparagraph (i) of this Section.

21 (h) Each participating municipality and participating  
22 instrumentality shall make the contributions in the amounts  
23 provided in this Section in the manner prescribed from time to  
24 time by the Board and all such contributions shall be  
25 obligations of the respective participating municipalities and  
26 participating instrumentalities to this fund. The failure to

1 deduct any employee contributions shall not relieve the  
2 participating municipality or participating instrumentality of  
3 its obligation to this fund. Delinquent payments of  
4 contributions due under this Section may, with interest, be  
5 recovered by civil action against the participating  
6 municipalities or participating instrumentalities.  
7 Municipality contributions, other than the amount necessary  
8 for employee contributions, for periods of service by  
9 employees from whose earnings no deductions were made for  
10 employee contributions to the fund, may be charged to the  
11 municipality reserve for the municipality or participating  
12 instrumentality.

13 (i) Contributions by participating instrumentalities shall  
14 be determined as provided herein except that the percentage  
15 derived under subparagraph 2 of paragraph (b) of this Section,  
16 and the amount payable under subparagraph 4 of paragraph (a)  
17 of this Section, shall be based on an amortization period of 10  
18 years.

19 (j) Notwithstanding the other provisions of this Section,  
20 the additional unfunded liability accruing as a result of  
21 Public Act 94-712 shall be amortized over a period of 30 years  
22 beginning on January 1 of the second calendar year following  
23 the calendar year in which Public Act 94-712 takes effect,  
24 except that the employer may provide for a longer amortization  
25 period by adopting a resolution or ordinance specifying a  
26 35-year or 40-year period and submitting a certified copy of

1 the ordinance or resolution to the fund no later than June 1 of  
2 the calendar year following the calendar year in which Public  
3 Act 94-712 takes effect.

4 (k) If the amount of a participating employee's reported  
5 earnings for any of the 12-month periods used to determine the  
6 final rate of earnings exceeds the employee's 12-month  
7 reported earnings with the same employer for the previous year  
8 by the greater of 6% or 1.5 times the annual increase in the  
9 Consumer Price Index-U, as established by the United States  
10 Department of Labor for the preceding September, the  
11 participating municipality or participating instrumentality  
12 that paid those earnings shall pay to the Fund, in addition to  
13 any other contributions required under this Article, the  
14 present value of the increase in the pension resulting from  
15 the portion of the increase in reported earnings that is in  
16 excess of the greater of 6% or 1.5 times the annual increase in  
17 the Consumer Price Index-U, as determined by the Fund. This  
18 present value shall be computed on the basis of the actuarial  
19 assumptions and tables used in the most recent actuarial  
20 valuation of the Fund that is available at the time of the  
21 computation.

22 Whenever it determines that a payment is or may be  
23 required under this subsection (k), the fund shall calculate  
24 the amount of the payment and bill the participating  
25 municipality or participating instrumentality for that amount.  
26 The bill shall specify the calculations used to determine the

1 amount due. If the participating municipality or participating  
2 instrumentality disputes the amount of the bill, it may,  
3 within 30 days after receipt of the bill, apply to the fund in  
4 writing for a recalculation. The application must specify in  
5 detail the grounds of the dispute. Upon receiving a timely  
6 application for recalculation, the fund shall review the  
7 application and, if appropriate, recalculate the amount due.  
8 The participating municipality and participating  
9 instrumentality contributions required under this subsection  
10 (k) may be paid in the form of a lump sum within 90 days after  
11 receipt of the bill. If the participating municipality and  
12 participating instrumentality contributions are not paid  
13 within 90 days after receipt of the bill, then interest will be  
14 charged at a rate equal to the fund's annual actuarially  
15 assumed rate of return on investment compounded annually from  
16 the 91st day after receipt of the bill. Payments must be  
17 concluded within 7 ~~3~~ years after receipt of the bill by the  
18 participating municipality or participating instrumentality.

19 When assessing payment for any amount due under this  
20 subsection (k), the fund shall exclude earnings increases  
21 resulting from overload or overtime earnings.

22 When assessing payment for any amount due under this  
23 subsection (k), the fund shall exclude earnings increases  
24 resulting from payments for unused vacation time, but only for  
25 payments for unused vacation time made in the final 3 months of  
26 the final rate of earnings period.

1           When assessing payment for any amount due under this  
2 subsection (k), the fund shall also exclude earnings increases  
3 attributable to standard employment promotions resulting in  
4 increased responsibility and workload.

5           When assessing payment for any amount due under this  
6 subsection (k), the fund shall exclude reportable earnings  
7 increases resulting from periods where the member was paid  
8 through workers' compensation.

9           This subsection (k) does not apply to earnings increases  
10 due to amounts paid as required by federal or State law or  
11 court mandate or to earnings increases due to the  
12 participating employee returning to the regular number of  
13 hours worked after having a temporary reduction in the number  
14 of hours worked.

15           This subsection (k) does not apply to earnings increases  
16 paid to individuals under contracts or collective bargaining  
17 agreements entered into, amended, or renewed before January 1,  
18 2012 (the effective date of Public Act 97-609), earnings  
19 increases paid to members who are 10 years or more from  
20 retirement eligibility, or earnings increases resulting from  
21 an increase in the number of hours required to be worked.

22           When assessing payment for any amount due under this  
23 subsection (k), the fund shall also exclude earnings  
24 attributable to personnel policies adopted before January 1,  
25 2012 (the effective date of Public Act 97-609) as long as those  
26 policies are not applicable to employees who begin service on

1 or after January 1, 2012 (the effective date of Public Act  
2 97-609).

3 The change made to this Section by Public Act 100-139 is a  
4 clarification of existing law and is intended to be  
5 retroactive to January 1, 2012 (the effective date of Public  
6 Act 97-609).

7 (Source: P.A. 102-849, eff. 5-13-22; 103-464, eff. 8-4-23.)

8 Article 13.

9 Section 13-5. The Illinois Pension Code is amended by  
10 changing Section 16-204 as follows:

11 (40 ILCS 5/16-204)

12 Sec. 16-204. Optional defined contribution benefit. As  
13 soon as practicable after the effective date of this  
14 amendatory Act of the 100th General Assembly, the System shall  
15 offer a defined contribution benefit to active full-time or  
16 part-time contractual members of the System who are employed  
17 by an employer eligible to participate in the defined  
18 contribution benefit under applicable law. The defined  
19 contribution benefit shall be an optional benefit to any  
20 full-time or part-time contractual member who chooses to  
21 participate. The defined contribution benefit shall collect  
22 optional employee and optional employer contributions into an  
23 account and shall offer investment options to the participant.

1 The benefit under this Section shall be operated in full  
2 compliance with any applicable State and federal laws, and the  
3 System shall utilize generally accepted practices in creating  
4 and maintaining the benefit for the best interest of the  
5 participants. In administering the defined contribution  
6 benefit, the System shall require that the defined  
7 contribution benefit recordkeeper agree that, in performing  
8 services with respect to the defined contribution benefit, the  
9 recordkeeper: (i) will not use information received as a  
10 result of providing services with respect to the defined  
11 contribution benefit or the participants in the defined  
12 contribution benefit to solicit the participants in the  
13 defined contribution benefit for the purpose of cross-selling  
14 nonplan products and services, unless in response to a request  
15 by a participant in the defined contribution benefit; and (ii)  
16 will not promote, recommend, endorse, or solicit participants  
17 in the defined contribution benefit to purchase any financial  
18 products or services outside of the defined contribution  
19 benefit, except that links to parts of the recordkeeper's  
20 website that are generally available to the public, are about  
21 commercial products, and may be encountered by a participant  
22 in the regular course of navigating the recordkeeper's website  
23 will not constitute a violation of this item (ii). The System  
24 may use funds from the employee and employer contributions to  
25 defray any and all costs of creating and maintaining the  
26 benefit. In addition, the System may use funds provided under

1 Section 16-158 of this Code to defray any and all costs of  
2 creating and maintaining the benefit and then shall reimburse  
3 those costs from funds received from the employee and employer  
4 contributions under this Section. All employers must comply  
5 with the reporting and administrative functions established by  
6 the System and are required to implement the benefits  
7 established under this Section. The System shall produce an  
8 annual report on the participation in the benefit and shall  
9 make the report public.

10 As soon as is practicable on or after January 1, 2022, the  
11 System shall automatically enroll any employee who first  
12 becomes an active full-time or part-time contractual member ~~or~~  
13 ~~participant~~ in the System. A member automatically enrolled  
14 under this Section shall have 3% of his or her pre-tax ~~gross~~  
15 compensation ~~for each compensation period~~ deferred into his or  
16 her deferred compensation account, ~~unless the member otherwise~~  
17 ~~instructs the System on forms approved by the System~~. A member  
18 may elect, in a manner provided for by the System, to not  
19 participate in the defined contribution benefit or to increase  
20 or reduce the amount of pre-tax ~~gross~~ compensation  
21 contributed, consistent with State or federal law. A member  
22 shall be automatically enrolled in the benefit beginning the  
23 first day of the pay period following the close of the notice  
24 period, or as soon as practicable, unless the employee elects  
25 otherwise within the notice period ~~member's 30th day of~~  
26 ~~employment~~. For the purposes of this Section, "notice period"

1 means a reasonable period of time after the employee is  
2 provided with an automatic enrollment notice as required under  
3 Section 414(w) of the Internal Revenue Code of 1986, as  
4 amended. An active full-time or part-time contractual A member  
5 who has been automatically enrolled in the benefit may elect,  
6 within 90 days following the member's initial contribution  
7 days of enrollment, to withdraw from the contribution benefit  
8 and receive a refund of amounts deferred, as adjusted for plus  
9 or minus any applicable earnings and fees. A member making  
10 such an election shall forfeit all employer matching  
11 contributions, if any, made with respect to the initial  
12 contribution and the forfeited amounts shall be used to defray  
13 plan expenses earnings, investment fees, and administrative  
14 fees. Any refunded amount shall be included in the member's  
15 gross income for the taxable year in which the refund is  
16 issued.

17 On or after January 1, 2023, the System may elect to  
18 increase the automatic annual contributions under this  
19 Section. The increase in the rate of contribution, however,  
20 shall not exceed 2% of a member's pre-tax ~~gross~~ compensation  
21 per year, and at no time shall any total contribution exceed  
22 any contribution limits established by State or federal law.

23 Notwithstanding any other provision of this Section,  
24 active members eligible to participate in the defined  
25 contribution benefit do not include employees of a department  
26 as defined in Section 14-103.04.

1 (Source: P.A. 102-540, eff. 8-20-21; 103-552, eff. 8-11-23.)

2 Article 14.

3 Section 14-5. The Illinois Pension Code is amended by  
4 changing Sections 3-110.14 and 7-139.1a as follows:

5 (40 ILCS 5/3-110.14)

6 Sec. 3-110.14. Transfer to Article 7.

7 (a) On and after July 1, 2022 but no later than December 1,  
8 2023, a participating employee who is actively employed as a  
9 sheriff's law enforcement employee under Article 7 may make a  
10 written election to transfer up to 10 years of creditable  
11 service from a fund established under this Article to the  
12 Illinois Municipal Retirement Fund established under Article  
13 7. Upon receiving a written election by a participant under  
14 this Section, the creditable service shall be transferred to  
15 the Illinois Municipal Retirement Fund as soon as practicable  
16 upon payment by the police pension fund to the Illinois  
17 Municipal Retirement Fund of an amount equal to:

18 (1) the amounts accumulated to the credit of the  
19 applicant on the books of the fund on the date of the  
20 transfer; and

21 (2) employer contributions in an amount equal to the  
22 amount determined under paragraph (1).

23 Participation in the police pension fund with respect to the

1 service to be transferred shall terminate on the date of  
2 transfer. This Section does not allow reinstatement of credits  
3 in this Article that were previously forfeited.

4 (b) On and after the effective date of this amendatory Act  
5 of the 104th General Assembly but no later than 6 months after  
6 the effective date of this amendatory Act of the 104th General  
7 Assembly, a participating employee who is actively employed as  
8 a sheriff's law enforcement employee under Article 7 may make  
9 a written election to transfer creditable service from a fund  
10 established under this Article to the Illinois Municipal  
11 Retirement Fund established under Article 7. Upon receiving a  
12 written election by a participant under this Section, the  
13 creditable service shall be transferred to the Illinois  
14 Municipal Retirement Fund as soon as practicable upon payment  
15 by the police pension fund to the Illinois Municipal  
16 Retirement Fund of an amount equal to:

17 (1) the amounts accumulated to the credit of the  
18 applicant on the books of the fund on the date of the  
19 transfer; and

20 (2) employer contributions in an amount equal to the  
21 amount determined under paragraph (1).

22 Participation in the police pension fund with respect to  
23 the service to be transferred shall terminate on the date of  
24 transfer. This Section does not allow reinstatement of credits  
25 in this Article that were previously forfeited.

26 (Source: P.A. 102-1061, eff. 6-10-22.)

1 (40 ILCS 5/7-139.1a)

2 Sec. 7-139.1a. Transfer from Article 3.

3 (a) On and after July 1, 2022 but no later than January 1,  
4 2023, a participating sheriff's law enforcement employee may  
5 elect to transfer up to 10 years of service credit to the Fund  
6 as set forth in Section 3-110.14. To establish creditable  
7 service under this Section, the sheriff's law enforcement  
8 employee may elect to do either of the following:

9 (1) pay to the Fund an amount to be determined by the  
10 Board, equal to (i) the difference between the amount of  
11 employee and employer contributions transferred to the  
12 Fund under Section 3-110.14 and the amounts that would  
13 have been contributed had such contributions been made at  
14 the rates applicable to a sheriff's law enforcement  
15 employee under this Article, plus (ii) interest thereon at  
16 the actuarially assumed rate, compounded annually, from  
17 the date of service to the date of payment; or

18 (2) have the amount of his or her creditable service  
19 established under this Section reduced by an amount  
20 corresponding to the amount by which (i) the employer and  
21 employee contributions that would have been required if he  
22 or she had participated in the Fund as a sheriff's law  
23 enforcement employee during the period for which credit is  
24 being transferred, plus interest thereon at the  
25 actuarially assumed rate, compounded annually, from the

1 date of termination of the service for which credit is  
2 being transferred to the date of payment, exceeds (ii) the  
3 amount actually transferred to the Fund.

4 Notwithstanding the amount transferred by the Article 3  
5 fund pursuant to Section 3-110.14, in no event shall the  
6 service credit established under this Section exceed the  
7 lesser of 10 years or the actual amount of service credit that  
8 had been earned in the Article 3 fund. If an amount greater  
9 than the amount described under paragraph (1) is transferred  
10 to the Fund, the additional amount shall be credited to the  
11 account of the sheriff's law enforcement employee's employer.

12 (b) On and after the effective date of this amendatory Act  
13 of the 104th General Assembly but no later than 6 months after  
14 the effective date of this amendatory Act of the 104th General  
15 Assembly, a participating sheriff's law enforcement employee  
16 may elect to transfer service credit to the Fund as set forth  
17 in Section 3-110.14. To establish creditable service under  
18 this Section, the sheriff's law enforcement employee may elect  
19 to do either of the following:

20 (1) pay to the Fund an amount to be determined by the  
21 Board, equal to (i) the difference between the amount of  
22 employee and employer contributions transferred to the  
23 Fund under Section 3-110.14 and the amounts that would  
24 have been contributed had such contributions been made at  
25 the rates applicable to a sheriff's law enforcement  
26 employee under this Article, plus (ii) interest thereon at



1 changing Section 15-112 as follows:

2 (40 ILCS 5/15-112) (from Ch. 108 1/2, par. 15-112)

3 Sec. 15-112. Final rate of earnings. "Final rate of  
4 earnings":

5 (a) This subsection (a) applies only to a Tier 1 member.

6 For an employee who is paid on an hourly basis or who  
7 receives an annual salary in installments during 12 months of  
8 each academic year, the average annual earnings during the 48  
9 consecutive calendar month period ending with the last day of  
10 final termination of employment or the 4 consecutive academic  
11 years of service in which the employee's earnings were the  
12 highest, whichever is greater. For any other employee, the  
13 average annual earnings during the 4 consecutive academic  
14 years of service in which his or her earnings were the highest.  
15 For an employee with less than 48 months or 4 consecutive  
16 academic years of service, the average earnings during his or  
17 her entire period of service. The earnings of an employee with  
18 more than 36 months of service under item (a) of Section  
19 15-113.1 prior to the date of becoming a participant are, for  
20 such period, considered equal to the average earnings during  
21 the last 36 months of such service.

22 (b) This subsection (b) applies to a Tier 2 member.

23 For an employee who is paid on an hourly basis or who  
24 receives an annual salary in installments during 12 months of  
25 each academic year, the average annual earnings obtained by

1 dividing by 8 the total earnings of the employee during the 96  
2 consecutive months in which the total earnings were the  
3 highest within the last 120 months prior to termination or the  
4 average annual earnings during the 8 consecutive academic  
5 years of service within the 10 years of service prior to  
6 termination in which the employee's earnings were the highest,  
7 whichever is greater.

8 For any other employee, the average annual earnings during  
9 the 8 consecutive academic years of service within the 10  
10 years of service prior to termination in which the employee's  
11 earnings were the highest. For an employee with less than 96  
12 consecutive months or 8 consecutive academic years of service,  
13 whichever is necessary, the average earnings during his or her  
14 entire period of service.

15 The changes made to this subsection (b) by this amendatory  
16 Act of the 104th General Assembly are corrections and  
17 clarifications of existing law and are intended to be  
18 retroactive to January 1, 2011 (the effective date of Public  
19 Act 96-1490), notwithstanding the provisions of Section  
20 1-103.1 of this Code.

21 (c) For an employee on leave of absence with pay, or on  
22 leave of absence without pay who makes contributions during  
23 such leave, earnings are assumed to be equal to the basic  
24 compensation on the date the leave began.

25 (d) For an employee on disability leave, earnings are  
26 assumed to be equal to the basic compensation on the date

1 disability occurs or the average earnings during the 24 months  
2 immediately preceding the month in which disability occurs,  
3 whichever is greater.

4 (e) For a Tier 1 member who retires on or after August 22,  
5 1997 (the effective date of Public Act 90-511) ~~this amendatory~~  
6 ~~Act of 1997~~ with at least 20 years of service as a firefighter  
7 or police officer under this Article, the final rate of  
8 earnings shall be the annual rate of earnings received by the  
9 participant on his or her last day as a firefighter or police  
10 officer under this Article, if that is greater than the final  
11 rate of earnings as calculated under the other provisions of  
12 this Section.

13 (f) If a Tier 1 member is an employee for at least 6 months  
14 during the academic year in which his or her employment is  
15 terminated, the annual final rate of earnings shall be 25% of  
16 the sum of (1) the annual basic compensation for that year, and  
17 (2) the amount earned during the 36 months immediately  
18 preceding that year, if this is greater than the final rate of  
19 earnings as calculated under the other provisions of this  
20 Section.

21 (g) In the determination of the final rate of earnings for  
22 an employee, that part of an employee's earnings for any  
23 academic year beginning after June 30, 1997, which exceeds the  
24 employee's earnings with that employer for the preceding year  
25 by more than 20% ~~20 percent~~ shall be excluded; in the event  
26 that an employee has more than one employer this limitation

1 shall be calculated separately for the earnings with each  
2 employer. In making such calculation, only the basic  
3 compensation of employees shall be considered, without regard  
4 to vacation or overtime or to contracts for summer employment.  
5 Beginning September 1, 2024, this subsection (g) also applies  
6 to an employee who has been employed at 1/2 time or less for 3  
7 or more years.

8 (h) The following are not considered as earnings in  
9 determining the final rate of earnings: (1) severance or  
10 separation pay, (2) retirement pay, (3) payment for unused  
11 sick leave, and (4) payments from an employer for the period  
12 used in determining the final rate of earnings for any purpose  
13 other than (i) services rendered, (ii) leave of absence or  
14 vacation granted during that period, and (iii) vacation of up  
15 to 56 work days allowed upon termination of employment; except  
16 that, if the benefit has been collectively bargained between  
17 the employer and the recognized collective bargaining agent  
18 pursuant to the Illinois Educational Labor Relations Act,  
19 payment received during a period of up to 2 academic years for  
20 unused sick leave may be considered as earnings in accordance  
21 with the applicable collective bargaining agreement, subject  
22 to the 20% increase limitation of this Section. Any unused  
23 sick leave considered as earnings under this Section shall not  
24 be taken into account in calculating service credit under  
25 Section 15-113.4.

26 (i) Intermittent periods of service shall be considered as

1 consecutive in determining the final rate of earnings.

2 (Source: P.A. 103-548, eff. 8-11-23; revised 7-18-24.)

3 Article 17.

4 Section 17-5. The Illinois Pension Code is amended by  
5 changing Section 22C-116 as follows:

6 (40 ILCS 5/22C-116)

7 Sec. 22C-116. Conduct and administration of elections;  
8 terms of office.

9 (a) For the election of the permanent trustees, the  
10 transition board shall administer the initial elections and  
11 the permanent board shall administer all subsequent elections.  
12 Each board shall develop and implement such procedures as it  
13 determines to be appropriate for the conduct of such  
14 elections. For the purposes of obtaining information necessary  
15 to conduct elections under this Section, participating pension  
16 funds shall cooperate with the Fund.

17 (b) All nominations for election shall be by petition.  
18 Each petition for a trustee shall be executed as follows:

19 (1) for trustees to be elected by the mayors and  
20 presidents of municipalities or fire protection districts  
21 that have participating pension funds, by at least 20 such  
22 mayors and presidents; except that this item (1) shall  
23 apply only with respect to participating pension funds;

1           (2) for trustees to be elected by participants, by at  
2           least 200 ~~400~~ participants; and

3           (3) for trustees to be elected by beneficiaries, by at  
4           least 100 beneficiaries.

5           (c) A separate ballot shall be used for each class of  
6           trustee. The board shall prepare and send ballots and ballot  
7           envelopes to eligible voters in accordance with rules adopted  
8           by the board. The ballots shall contain the names of all  
9           candidates in alphabetical order.

10          Eligible voters, upon receipt of the ballot, shall vote  
11          the ballot and place it in the ballot envelope, seal the  
12          envelope, and return the ballot to the Fund.

13          The board shall set a final date for ballot return, and  
14          ballots received prior to that date in a ballot envelope shall  
15          be valid ballots.

16          The board shall set a day for counting the ballots and name  
17          judges and clerks of election to conduct the count of ballots  
18          and shall make any rules necessary for the conduct of the  
19          count.

20          The candidate or candidates receiving the highest number  
21          of votes for each class of trustee shall be elected. In the  
22          case of a tie vote, the winner shall be determined in  
23          accordance with procedures developed by the Department of  
24          Insurance.

25          In lieu of or in addition to conducting elections via mail  
26          balloting as described in this Section, the board may ~~instead~~

1 adopt rules to provide for elections to be carried out ~~solely~~  
2 via Internet balloting, ~~or~~ phone balloting, or a combination  
3 thereof. Nothing in this Section prohibits the Fund from  
4 contracting with a third party to administer the election in  
5 accordance with this Section.

6 (d) At any election, voting shall be as follows:

7 (1) Each person authorized to vote for an elected  
8 trustee may cast one vote for each related position for  
9 which such person is entitled to vote and may cast such  
10 vote for any candidate or candidates on the ballot for  
11 such trustee position.

12 (2) If only one candidate for each position is  
13 properly nominated in petitions received, that candidate  
14 shall be deemed the winner and no election under this  
15 Section shall be required.

16 (3) The results shall be entered in the minutes of the  
17 first meeting of the board following the tally of votes.

18 (e) The initial election for permanent trustees shall be  
19 held and the permanent board shall be seated no later than 12  
20 months after the effective date of this amendatory Act of the  
21 101st General Assembly. Each subsequent election shall be held  
22 no later than 30 days prior to the end of the term of the  
23 incumbent trustees.

24 (f) The elected trustees shall each serve for terms of 4  
25 years commencing on the first business day of the first month  
26 after election; except that the terms of office of the

1 initially elected trustees shall be as follows:

2 (1) One trustee elected pursuant to item (1) of  
3 subsection (b) of Section 22C-115 shall serve for a term  
4 of 2 years and 2 trustees elected pursuant to item (1) of  
5 subsection (b) of Section 22C-115 shall serve for a term  
6 of 4 years;

7 (2) One trustee elected pursuant to item (2) of  
8 subsection (b) of Section 22C-115 shall serve for a term  
9 of 2 years and 2 trustees elected pursuant to item (2) of  
10 subsection (b) of Section 22C-115 shall serve for a term  
11 of 4 years; and

12 (3) The trustee elected pursuant to item (3) of  
13 subsection (b) of Section 22C-115 shall serve for a term  
14 of 2 years.

15 (g) The trustees appointed pursuant to items (4) and (5)  
16 of subsection (b) of Section 22C-115 shall each serve for a  
17 term of 4 years commencing on the first business day of the  
18 first month after the election of the elected trustees.

19 (h) A member of the board who was elected pursuant to item  
20 (1) of subsection (b) of Section 22C-115 who ceases to serve as  
21 a mayor, president, chief executive officer, chief financial  
22 officer, or other officer, executive, or department head of a  
23 municipality or fire protection district that has a  
24 participating pension fund shall not be eligible to serve as a  
25 member of the board and his or her position shall be deemed  
26 vacant. A member of the board who was elected by the

1 participants of participating pension funds who ceases to be a  
2 participant may serve the remainder of his or her elected  
3 term.

4 For a vacancy of an elected trustee, the vacancy shall be  
5 filled by appointment by the board as follows: a vacancy of a  
6 member elected pursuant to item (1) of subsection (b) of  
7 Section 22C-115 shall be filled by a mayor, president, chief  
8 executive officer, chief financial officer, or other officer,  
9 executive, or department head of a municipality or fire  
10 protection district that has a participating pension fund; a  
11 vacancy of a member elected pursuant to item (2) of subsection  
12 (b) of Section 22C-115 shall be filled by a participant of a  
13 participating pension fund; and a vacancy of a member elected  
14 under item (3) of subsection (b) of Section 22C-115 shall be  
15 filled by a beneficiary of a participating pension fund. A  
16 trustee appointed to fill the vacancy of an elected trustee  
17 shall serve until a successor is elected. Special elections to  
18 fill the remainder of an unexpired term vacated by an elected  
19 trustee shall be held concurrently with and in the same manner  
20 as the next regular election for an elected trustee position.

21 Vacancies among the appointed trustees shall be filled for  
22 unexpired terms by appointment in like manner as for the  
23 original appointments.

24 (Source: P.A. 103-552, eff. 8-11-23.)

1           Section 18-5. The Illinois Pension Code is amended by  
2 changing Sections 15-155 and 16-158 as follows:

3           (40 ILCS 5/15-155) (from Ch. 108 1/2, par. 15-155)

4           Sec. 15-155. Employer contributions.

5           (a) The State of Illinois shall make contributions by  
6 appropriations of amounts which, together with the other  
7 employer contributions from trust, federal, and other funds,  
8 employee contributions, income from investments, and other  
9 income of this System, will be sufficient to meet the cost of  
10 maintaining and administering the System on a 90% funded basis  
11 in accordance with actuarial recommendations.

12           The Board shall determine the amount of State  
13 contributions required for each fiscal year on the basis of  
14 the actuarial tables and other assumptions adopted by the  
15 Board and the recommendations of the actuary, using the  
16 formula in subsection (a-1).

17           (a-1) For State fiscal years 2012 through 2045, the  
18 minimum contribution to the System to be made by the State for  
19 each fiscal year shall be an amount determined by the System to  
20 be sufficient to bring the total assets of the System up to 90%  
21 of the total actuarial liabilities of the System by the end of  
22 State fiscal year 2045. In making these determinations, the  
23 required State contribution shall be calculated each year as a  
24 level percentage of payroll over the years remaining to and

1 including fiscal year 2045 and shall be determined under the  
2 projected unit credit actuarial cost method.

3 For each of State fiscal years 2018, 2019, and 2020, the  
4 State shall make an additional contribution to the System  
5 equal to 2% of the total payroll of each employee who is deemed  
6 to have elected the benefits under Section 1-161 or who has  
7 made the election under subsection (c) of Section 1-161.

8 A change in an actuarial or investment assumption that  
9 increases or decreases the required State contribution and  
10 first applies in State fiscal year 2018 or thereafter shall be  
11 implemented in equal annual amounts over a 5-year period  
12 beginning in the State fiscal year in which the actuarial  
13 change first applies to the required State contribution.

14 A change in an actuarial or investment assumption that  
15 increases or decreases the required State contribution and  
16 first applied to the State contribution in fiscal year 2014,  
17 2015, 2016, or 2017 shall be implemented:

18 (i) as already applied in State fiscal years before  
19 2018; and

20 (ii) in the portion of the 5-year period beginning in  
21 the State fiscal year in which the actuarial change first  
22 applied that occurs in State fiscal year 2018 or  
23 thereafter, by calculating the change in equal annual  
24 amounts over that 5-year period and then implementing it  
25 at the resulting annual rate in each of the remaining  
26 fiscal years in that 5-year period.

1           For State fiscal years 1996 through 2005, the State  
2 contribution to the System, as a percentage of the applicable  
3 employee payroll, shall be increased in equal annual  
4 increments so that by State fiscal year 2011, the State is  
5 contributing at the rate required under this Section.

6           Notwithstanding any other provision of this Article, the  
7 total required State contribution for State fiscal year 2006  
8 is \$166,641,900.

9           Notwithstanding any other provision of this Article, the  
10 total required State contribution for State fiscal year 2007  
11 is \$252,064,100.

12           For each of State fiscal years 2008 through 2009, the  
13 State contribution to the System, as a percentage of the  
14 applicable employee payroll, shall be increased in equal  
15 annual increments from the required State contribution for  
16 State fiscal year 2007, so that by State fiscal year 2011, the  
17 State is contributing at the rate otherwise required under  
18 this Section.

19           Notwithstanding any other provision of this Article, the  
20 total required State contribution for State fiscal year 2010  
21 is \$702,514,000 and shall be made from the State Pensions Fund  
22 and proceeds of bonds sold in fiscal year 2010 pursuant to  
23 Section 7.2 of the General Obligation Bond Act, less (i) the  
24 pro rata share of bond sale expenses determined by the  
25 System's share of total bond proceeds, (ii) any amounts  
26 received from the General Revenue Fund in fiscal year 2010,

1 (iii) any reduction in bond proceeds due to the issuance of  
2 discounted bonds, if applicable.

3 Notwithstanding any other provision of this Article, the  
4 total required State contribution for State fiscal year 2011  
5 is the amount recertified by the System on or before April 1,  
6 2011 pursuant to Section 15-165 and shall be made from the  
7 State Pensions Fund and proceeds of bonds sold in fiscal year  
8 2011 pursuant to Section 7.2 of the General Obligation Bond  
9 Act, less (i) the pro rata share of bond sale expenses  
10 determined by the System's share of total bond proceeds, (ii)  
11 any amounts received from the General Revenue Fund in fiscal  
12 year 2011, and (iii) any reduction in bond proceeds due to the  
13 issuance of discounted bonds, if applicable.

14 Beginning in State fiscal year 2046, the minimum State  
15 contribution for each fiscal year shall be the amount needed  
16 to maintain the total assets of the System at 90% of the total  
17 actuarial liabilities of the System.

18 Amounts received by the System pursuant to Section 25 of  
19 the Budget Stabilization Act or Section 8.12 of the State  
20 Finance Act in any fiscal year do not reduce and do not  
21 constitute payment of any portion of the minimum State  
22 contribution required under this Article in that fiscal year.  
23 Such amounts shall not reduce, and shall not be included in the  
24 calculation of, the required State contributions under this  
25 Article in any future year until the System has reached a  
26 funding ratio of at least 90%. A reference in this Article to

1 the "required State contribution" or any substantially similar  
2 term does not include or apply to any amounts payable to the  
3 System under Section 25 of the Budget Stabilization Act.

4 Notwithstanding any other provision of this Section, the  
5 required State contribution for State fiscal year 2005 and for  
6 fiscal year 2008 and each fiscal year thereafter, as  
7 calculated under this Section and certified under Section  
8 15-165, shall not exceed an amount equal to (i) the amount of  
9 the required State contribution that would have been  
10 calculated under this Section for that fiscal year if the  
11 System had not received any payments under subsection (d) of  
12 Section 7.2 of the General Obligation Bond Act, minus (ii) the  
13 portion of the State's total debt service payments for that  
14 fiscal year on the bonds issued in fiscal year 2003 for the  
15 purposes of that Section 7.2, as determined and certified by  
16 the Comptroller, that is the same as the System's portion of  
17 the total moneys distributed under subsection (d) of Section  
18 7.2 of the General Obligation Bond Act. In determining this  
19 maximum for State fiscal years 2008 through 2010, however, the  
20 amount referred to in item (i) shall be increased, as a  
21 percentage of the applicable employee payroll, in equal  
22 increments calculated from the sum of the required State  
23 contribution for State fiscal year 2007 plus the applicable  
24 portion of the State's total debt service payments for fiscal  
25 year 2007 on the bonds issued in fiscal year 2003 for the  
26 purposes of Section 7.2 of the General Obligation Bond Act, so

1 that, by State fiscal year 2011, the State is contributing at  
2 the rate otherwise required under this Section.

3 (a-2) Beginning in fiscal year 2018, each employer under  
4 this Article shall pay to the System a required contribution  
5 determined as a percentage of projected payroll and sufficient  
6 to produce an annual amount equal to:

7 (i) for each of fiscal years 2018, 2019, and 2020, the  
8 defined benefit normal cost of the defined benefit plan,  
9 less the employee contribution, for each employee of that  
10 employer who has elected or who is deemed to have elected  
11 the benefits under Section 1-161 or who has made the  
12 election under subsection (c) of Section 1-161; for fiscal  
13 year 2021 and each fiscal year thereafter, the defined  
14 benefit normal cost of the defined benefit plan, less the  
15 employee contribution, plus 2%, for each employee of that  
16 employer who has elected or who is deemed to have elected  
17 the benefits under Section 1-161 or who has made the  
18 election under subsection (c) of Section 1-161; plus

19 (ii) the amount required for that fiscal year to  
20 amortize any unfunded actuarial accrued liability  
21 associated with the present value of liabilities  
22 attributable to the employer's account under Section  
23 15-155.2, determined as a level percentage of payroll over  
24 a 30-year rolling amortization period.

25 In determining contributions required under item (i) of  
26 this subsection, the System shall determine an aggregate rate

1 for all employers, expressed as a percentage of projected  
2 payroll.

3 In determining the contributions required under item (ii)  
4 of this subsection, the amount shall be computed by the System  
5 on the basis of the actuarial assumptions and tables used in  
6 the most recent actuarial valuation of the System that is  
7 available at the time of the computation.

8 The contributions required under this subsection (a-2)  
9 shall be paid by an employer concurrently with that employer's  
10 payroll payment period. The State, as the actual employer of  
11 an employee, shall make the required contributions under this  
12 subsection.

13 As used in this subsection, "academic year" means the  
14 12-month period beginning September 1.

15 (b) If an employee is paid from trust or federal funds, the  
16 employer shall pay to the Board contributions from those funds  
17 which are sufficient to cover the accruing normal costs on  
18 behalf of the employee. However, universities having employees  
19 who are compensated out of local auxiliary funds, income  
20 funds, or service enterprise funds are not required to pay  
21 such contributions on behalf of those employees. The local  
22 auxiliary funds, income funds, and service enterprise funds of  
23 universities shall not be considered trust funds for the  
24 purpose of this Article, but funds of alumni associations,  
25 foundations, and athletic associations which are affiliated  
26 with the universities included as employers under this Article

1 and other employers which do not receive State appropriations  
2 are considered to be trust funds for the purpose of this  
3 Article.

4 (b-1) The City of Urbana and the City of Champaign shall  
5 each make employer contributions to this System for their  
6 respective firefighter employees who participate in this  
7 System pursuant to subsection (h) of Section 15-107. The rate  
8 of contributions to be made by those municipalities shall be  
9 determined annually by the Board on the basis of the actuarial  
10 assumptions adopted by the Board and the recommendations of  
11 the actuary, and shall be expressed as a percentage of salary  
12 for each such employee. The Board shall certify the rate to the  
13 affected municipalities as soon as may be practical. The  
14 employer contributions required under this subsection shall be  
15 remitted by the municipality to the System at the same time and  
16 in the same manner as employee contributions.

17 (c) Through State fiscal year 1995: The total employer  
18 contribution shall be apportioned among the various funds of  
19 the State and other employers, whether trust, federal, or  
20 other funds, in accordance with actuarial procedures approved  
21 by the Board. State of Illinois contributions for employers  
22 receiving State appropriations for personal services shall be  
23 payable from appropriations made to the employers or to the  
24 System. The contributions for Class I community colleges  
25 covering earnings other than those paid from trust and federal  
26 funds, shall be payable solely from appropriations to the

1 Illinois Community College Board or the System for employer  
2 contributions.

3 (d) Beginning in State fiscal year 1996, the required  
4 State contributions to the System shall be appropriated  
5 directly to the System and shall be payable through vouchers  
6 issued in accordance with subsection (c) of Section 15-165,  
7 except as provided in subsection (g).

8 (e) The State Comptroller shall draw warrants payable to  
9 the System upon proper certification by the System or by the  
10 employer in accordance with the appropriation laws and this  
11 Code.

12 (f) Normal costs under this Section means liability for  
13 pensions and other benefits which accrues to the System  
14 because of the credits earned for service rendered by the  
15 participants during the fiscal year and expenses of  
16 administering the System, but shall not include the principal  
17 of or any redemption premium or interest on any bonds issued by  
18 the Board or any expenses incurred or deposits required in  
19 connection therewith.

20 (g) If the amount of a participant's earnings for any  
21 academic year used to determine the final rate of earnings,  
22 determined on a full-time equivalent basis, exceeds the amount  
23 of his or her earnings with the same employer for the previous  
24 academic year, determined on a full-time equivalent basis, by  
25 more than 6%, the participant's employer shall pay to the  
26 System, in addition to all other payments required under this

1 Section and in accordance with guidelines established by the  
2 System, the present value of the increase in benefits  
3 resulting from the portion of the increase in earnings that is  
4 in excess of 6%. This present value shall be computed by the  
5 System on the basis of the actuarial assumptions and tables  
6 used in the most recent actuarial valuation of the System that  
7 is available at the time of the computation. The System may  
8 require the employer to provide any pertinent information or  
9 documentation.

10 Whenever it determines that a payment is or may be  
11 required under this subsection (g), the System shall calculate  
12 the amount of the payment and bill the employer for that  
13 amount. The bill shall specify the calculations used to  
14 determine the amount due. If the employer disputes the amount  
15 of the bill, it may, within 30 days after receipt of the bill,  
16 apply to the System in writing for a recalculation. The  
17 application must specify in detail the grounds of the dispute  
18 and, if the employer asserts that the calculation is subject  
19 to subsection (h), (h-5), or (i) of this Section, must include  
20 an affidavit setting forth and attesting to all facts within  
21 the employer's knowledge that are pertinent to the  
22 applicability of that subsection. Upon receiving a timely  
23 application for recalculation, the System shall review the  
24 application and, if appropriate, recalculate the amount due.

25 The employer contributions required under this subsection  
26 (g) may be paid in the form of a lump sum within 90 days after

1 receipt of the bill. If the employer contributions are not  
2 paid within 90 days after receipt of the bill, then interest  
3 will be charged at a rate equal to the System's annual  
4 actuarially assumed rate of return on investment compounded  
5 annually from the 91st day after receipt of the bill. Payments  
6 must be concluded within 7 ~~3~~ years after the employer's  
7 receipt of the bill.

8 When assessing payment for any amount due under this  
9 subsection (g), the System shall include earnings, to the  
10 extent not established by a participant under Section  
11 15-113.11 or 15-113.12, that would have been paid to the  
12 participant had the participant not taken (i) periods of  
13 voluntary or involuntary furlough occurring on or after July  
14 1, 2015 and on or before June 30, 2017 or (ii) periods of  
15 voluntary pay reduction in lieu of furlough occurring on or  
16 after July 1, 2015 and on or before June 30, 2017. Determining  
17 earnings that would have been paid to a participant had the  
18 participant not taken periods of voluntary or involuntary  
19 furlough or periods of voluntary pay reduction shall be the  
20 responsibility of the employer, and shall be reported in a  
21 manner prescribed by the System.

22 This subsection (g) does not apply to (1) Tier 2 hybrid  
23 plan members and (2) Tier 2 defined benefit members who first  
24 participate under this Article on or after the implementation  
25 date of the Optional Hybrid Plan.

26 (g-1) (Blank).

1           (h) This subsection (h) applies only to payments made or  
2 salary increases given on or after June 1, 2005 but before July  
3 1, 2011. The changes made by Public Act 94-1057 shall not  
4 require the System to refund any payments received before July  
5 31, 2006 (the effective date of Public Act 94-1057).

6           When assessing payment for any amount due under subsection  
7 (g), the System shall exclude earnings increases paid to  
8 participants under contracts or collective bargaining  
9 agreements entered into, amended, or renewed before June 1,  
10 2005.

11           When assessing payment for any amount due under subsection  
12 (g), the System shall exclude earnings increases paid to a  
13 participant at a time when the participant is 10 or more years  
14 from retirement eligibility under Section 15-135.

15           When assessing payment for any amount due under subsection  
16 (g), the System shall exclude earnings increases resulting  
17 from overload work, including a contract for summer teaching,  
18 or overtime when the employer has certified to the System, and  
19 the System has approved the certification, that: (i) in the  
20 case of overloads (A) the overload work is for the sole purpose  
21 of academic instruction in excess of the standard number of  
22 instruction hours for a full-time employee occurring during  
23 the academic year that the overload is paid and (B) the  
24 earnings increases are equal to or less than the rate of pay  
25 for academic instruction computed using the participant's  
26 current salary rate and work schedule; and (ii) in the case of

1 overtime, the overtime was necessary for the educational  
2 mission.

3 When assessing payment for any amount due under subsection  
4 (g), the System shall exclude any earnings increase resulting  
5 from (i) a promotion for which the employee moves from one  
6 classification to a higher classification under the State  
7 Universities Civil Service System, (ii) a promotion in  
8 academic rank for a tenured or tenure-track faculty position,  
9 or (iii) a promotion that the Illinois Community College Board  
10 has recommended in accordance with subsection (k) of this  
11 Section. These earnings increases shall be excluded only if  
12 the promotion is to a position that has existed and been filled  
13 by a member for no less than one complete academic year and the  
14 earnings increase as a result of the promotion is an increase  
15 that results in an amount no greater than the average salary  
16 paid for other similar positions.

17 (h-5) When assessing payment for any amount due under  
18 subsection (g), the System shall exclude any earnings increase  
19 paid in an academic year beginning on or after July 1, 2020  
20 resulting from overload work performed in an academic year  
21 subsequent to an academic year in which the employer was  
22 unable to offer or allow to be conducted overload work due to  
23 an emergency declaration limiting such activities.

24 (i) When assessing payment for any amount due under  
25 subsection (g), the System shall exclude any salary increase  
26 described in subsection (h) of this Section given on or after

1 July 1, 2011 but before July 1, 2014 under a contract or  
2 collective bargaining agreement entered into, amended, or  
3 renewed on or after June 1, 2005 but before July 1, 2011.  
4 Except as provided in subsection (h-5), any payments made or  
5 salary increases given after June 30, 2014 shall be used in  
6 assessing payment for any amount due under subsection (g) of  
7 this Section.

8 (j) The System shall prepare a report and file copies of  
9 the report with the Governor and the General Assembly by  
10 January 1, 2007 that contains all of the following  
11 information:

12 (1) The number of recalculations required by the  
13 changes made to this Section by Public Act 94-1057 for  
14 each employer.

15 (2) The dollar amount by which each employer's  
16 contribution to the System was changed due to  
17 recalculations required by Public Act 94-1057.

18 (3) The total amount the System received from each  
19 employer as a result of the changes made to this Section by  
20 Public Act 94-4.

21 (4) The increase in the required State contribution  
22 resulting from the changes made to this Section by Public  
23 Act 94-1057.

24 (j-5) For State fiscal years beginning on or after July 1,  
25 2017, if the amount of a participant's earnings for any State  
26 fiscal year exceeds the amount of the salary set by law for the

1 Governor that is in effect on July 1 of that fiscal year, the  
2 participant's employer shall pay to the System, in addition to  
3 all other payments required under this Section and in  
4 accordance with guidelines established by the System, an  
5 amount determined by the System to be equal to the employer  
6 normal cost, as established by the System and expressed as a  
7 total percentage of payroll, multiplied by the amount of  
8 earnings in excess of the amount of the salary set by law for  
9 the Governor. This amount shall be computed by the System on  
10 the basis of the actuarial assumptions and tables used in the  
11 most recent actuarial valuation of the System that is  
12 available at the time of the computation. The System may  
13 require the employer to provide any pertinent information or  
14 documentation.

15 Whenever it determines that a payment is or may be  
16 required under this subsection, the System shall calculate the  
17 amount of the payment and bill the employer for that amount.  
18 The bill shall specify the calculation used to determine the  
19 amount due. If the employer disputes the amount of the bill, it  
20 may, within 30 days after receipt of the bill, apply to the  
21 System in writing for a recalculation. The application must  
22 specify in detail the grounds of the dispute. Upon receiving a  
23 timely application for recalculation, the System shall review  
24 the application and, if appropriate, recalculate the amount  
25 due.

26 The employer contributions required under this subsection

1 may be paid in the form of a lump sum within 90 days after  
2 issuance of the bill. If the employer contributions are not  
3 paid within 90 days after issuance of the bill, then interest  
4 will be charged at a rate equal to the System's annual  
5 actuarially assumed rate of return on investment compounded  
6 annually from the 91st day after issuance of the bill. All  
7 payments must be received within 3 years after issuance of the  
8 bill. If the employer fails to make complete payment,  
9 including applicable interest, within 3 years, then the System  
10 may, after giving notice to the employer, certify the  
11 delinquent amount to the State Comptroller, and the  
12 Comptroller shall thereupon deduct the certified delinquent  
13 amount from State funds payable to the employer and pay them  
14 instead to the System.

15 This subsection (j-5) does not apply to a participant's  
16 earnings to the extent an employer pays the employer normal  
17 cost of such earnings.

18 The changes made to this subsection (j-5) by Public Act  
19 100-624 are intended to apply retroactively to July 6, 2017  
20 (the effective date of Public Act 100-23).

21 (k) The Illinois Community College Board shall adopt rules  
22 for recommending lists of promotional positions submitted to  
23 the Board by community colleges and for reviewing the  
24 promotional lists on an annual basis. When recommending  
25 promotional lists, the Board shall consider the similarity of  
26 the positions submitted to those positions recognized for

1 State universities by the State Universities Civil Service  
2 System. The Illinois Community College Board shall file a copy  
3 of its findings with the System. The System shall consider the  
4 findings of the Illinois Community College Board when making  
5 determinations under this Section. The System shall not  
6 exclude any earnings increases resulting from a promotion when  
7 the promotion was not submitted by a community college.  
8 Nothing in this subsection (k) shall require any community  
9 college to submit any information to the Community College  
10 Board.

11 (l) For purposes of determining the required State  
12 contribution to the System, the value of the System's assets  
13 shall be equal to the actuarial value of the System's assets,  
14 which shall be calculated as follows:

15 As of June 30, 2008, the actuarial value of the System's  
16 assets shall be equal to the market value of the assets as of  
17 that date. In determining the actuarial value of the System's  
18 assets for fiscal years after June 30, 2008, any actuarial  
19 gains or losses from investment return incurred in a fiscal  
20 year shall be recognized in equal annual amounts over the  
21 5-year period following that fiscal year.

22 (m) For purposes of determining the required State  
23 contribution to the system for a particular year, the  
24 actuarial value of assets shall be assumed to earn a rate of  
25 return equal to the system's actuarially assumed rate of  
26 return.

1 (Source: P.A. 101-10, eff. 6-5-19; 101-81, eff. 7-12-19;  
2 102-16, eff. 6-17-21; 102-558, eff. 8-20-21; 102-764, eff.  
3 5-13-22.)

4 (40 ILCS 5/16-158) (from Ch. 108 1/2, par. 16-158)  
5 Sec. 16-158. Contributions by State and other employing  
6 units.

7 (a) The State shall make contributions to the System by  
8 means of appropriations from the Common School Fund and other  
9 State funds of amounts which, together with other employer  
10 contributions, employee contributions, investment income, and  
11 other income, will be sufficient to meet the cost of  
12 maintaining and administering the System on a 90% funded basis  
13 in accordance with actuarial recommendations.

14 The Board shall determine the amount of State  
15 contributions required for each fiscal year on the basis of  
16 the actuarial tables and other assumptions adopted by the  
17 Board and the recommendations of the actuary, using the  
18 formula in subsection (b-3).

19 (a-1) Annually, on or before November 15 until November  
20 15, 2011, the Board shall certify to the Governor the amount of  
21 the required State contribution for the coming fiscal year.  
22 The certification under this subsection (a-1) shall include a  
23 copy of the actuarial recommendations upon which it is based  
24 and shall specifically identify the System's projected State  
25 normal cost for that fiscal year.

1           On or before May 1, 2004, the Board shall recalculate and  
2           recertify to the Governor the amount of the required State  
3           contribution to the System for State fiscal year 2005, taking  
4           into account the amounts appropriated to and received by the  
5           System under subsection (d) of Section 7.2 of the General  
6           Obligation Bond Act.

7           On or before July 1, 2005, the Board shall recalculate and  
8           recertify to the Governor the amount of the required State  
9           contribution to the System for State fiscal year 2006, taking  
10          into account the changes in required State contributions made  
11          by Public Act 94-4.

12          On or before April 1, 2011, the Board shall recalculate  
13          and recertify to the Governor the amount of the required State  
14          contribution to the System for State fiscal year 2011,  
15          applying the changes made by Public Act 96-889 to the System's  
16          assets and liabilities as of June 30, 2009 as though Public Act  
17          96-889 was approved on that date.

18          (a-5) On or before November 1 of each year, beginning  
19          November 1, 2012, the Board shall submit to the State Actuary,  
20          the Governor, and the General Assembly a proposed  
21          certification of the amount of the required State contribution  
22          to the System for the next fiscal year, along with all of the  
23          actuarial assumptions, calculations, and data upon which that  
24          proposed certification is based. On or before January 1 of  
25          each year, beginning January 1, 2013, the State Actuary shall  
26          issue a preliminary report concerning the proposed

1 certification and identifying, if necessary, recommended  
2 changes in actuarial assumptions that the Board must consider  
3 before finalizing its certification of the required State  
4 contributions. On or before January 15, 2013 and each January  
5 15 thereafter, the Board shall certify to the Governor and the  
6 General Assembly the amount of the required State contribution  
7 for the next fiscal year. The Board's certification must note  
8 any deviations from the State Actuary's recommended changes,  
9 the reason or reasons for not following the State Actuary's  
10 recommended changes, and the fiscal impact of not following  
11 the State Actuary's recommended changes on the required State  
12 contribution.

13 (a-10) By November 1, 2017, the Board shall recalculate  
14 and recertify to the State Actuary, the Governor, and the  
15 General Assembly the amount of the State contribution to the  
16 System for State fiscal year 2018, taking into account the  
17 changes in required State contributions made by Public Act  
18 100-23. The State Actuary shall review the assumptions and  
19 valuations underlying the Board's revised certification and  
20 issue a preliminary report concerning the proposed  
21 recertification and identifying, if necessary, recommended  
22 changes in actuarial assumptions that the Board must consider  
23 before finalizing its certification of the required State  
24 contributions. The Board's final certification must note any  
25 deviations from the State Actuary's recommended changes, the  
26 reason or reasons for not following the State Actuary's

1 recommended changes, and the fiscal impact of not following  
2 the State Actuary's recommended changes on the required State  
3 contribution.

4 (a-15) On or after June 15, 2019, but no later than June  
5 30, 2019, the Board shall recalculate and recertify to the  
6 Governor and the General Assembly the amount of the State  
7 contribution to the System for State fiscal year 2019, taking  
8 into account the changes in required State contributions made  
9 by Public Act 100-587. The recalculation shall be made using  
10 assumptions adopted by the Board for the original fiscal year  
11 2019 certification. The monthly voucher for the 12th month of  
12 fiscal year 2019 shall be paid by the Comptroller after the  
13 recertification required pursuant to this subsection is  
14 submitted to the Governor, Comptroller, and General Assembly.  
15 The recertification submitted to the General Assembly shall be  
16 filed with the Clerk of the House of Representatives and the  
17 Secretary of the Senate in electronic form only, in the manner  
18 that the Clerk and the Secretary shall direct.

19 (b) Through State fiscal year 1995, the State  
20 contributions shall be paid to the System in accordance with  
21 Section 18-7 of the School Code.

22 (b-1) Unless otherwise directed by the Comptroller under  
23 subsection (b-1.1), the Board shall submit vouchers for  
24 payment of State contributions to the System for the  
25 applicable month on the 15th day of each month, or as soon  
26 thereafter as may be practicable. The amount vouchered for a

1 monthly payment shall total one-twelfth of the required annual  
2 State contribution certified under subsection (a-1).

3 (b-1.1) Beginning in State fiscal year 2025, if the  
4 Comptroller requests that the Board submit, during a State  
5 fiscal year, vouchers for multiple monthly payments for the  
6 advance payment of State contributions due to the System for  
7 that State fiscal year, then the Board shall submit those  
8 additional vouchers as directed by the Comptroller,  
9 notwithstanding subsection (b-1). Unless an act of  
10 appropriations provides otherwise, nothing in this Section  
11 authorizes the Board to submit, in a State fiscal year,  
12 vouchers for the payment of State contributions to the System  
13 in an amount that exceeds the rate of payroll that is certified  
14 by the System under this Section for that State fiscal year.

15 (b-1.2) The vouchers described in subsections (b-1) and  
16 (b-1.1) shall be paid by the State Comptroller and Treasurer  
17 by warrants drawn on the funds appropriated to the System for  
18 that fiscal year.

19 If in any month the amount remaining unexpended from all  
20 other appropriations to the System for the applicable fiscal  
21 year (including the appropriations to the System under Section  
22 8.12 of the State Finance Act and Section 1 of the State  
23 Pension Funds Continuing Appropriation Act) is less than the  
24 amount lawfully vouchered under this subsection, the  
25 difference shall be paid from the Common School Fund under the  
26 continuing appropriation authority provided in Section 1.1 of

1 the State Pension Funds Continuing Appropriation Act.

2 (b-2) Allocations from the Common School Fund apportioned  
3 to school districts not coming under this System shall not be  
4 diminished or affected by the provisions of this Article.

5 (b-3) For State fiscal years 2012 through 2045, the  
6 minimum contribution to the System to be made by the State for  
7 each fiscal year shall be an amount determined by the System to  
8 be sufficient to bring the total assets of the System up to 90%  
9 of the total actuarial liabilities of the System by the end of  
10 State fiscal year 2045. In making these determinations, the  
11 required State contribution shall be calculated each year as a  
12 level percentage of payroll over the years remaining to and  
13 including fiscal year 2045 and shall be determined under the  
14 projected unit credit actuarial cost method.

15 For each of State fiscal years 2018, 2019, and 2020, the  
16 State shall make an additional contribution to the System  
17 equal to 2% of the total payroll of each employee who is deemed  
18 to have elected the benefits under Section 1-161 or who has  
19 made the election under subsection (c) of Section 1-161.

20 A change in an actuarial or investment assumption that  
21 increases or decreases the required State contribution and  
22 first applies in State fiscal year 2018 or thereafter shall be  
23 implemented in equal annual amounts over a 5-year period  
24 beginning in the State fiscal year in which the actuarial  
25 change first applies to the required State contribution.

26 A change in an actuarial or investment assumption that

1 increases or decreases the required State contribution and  
2 first applied to the State contribution in fiscal year 2014,  
3 2015, 2016, or 2017 shall be implemented:

4 (i) as already applied in State fiscal years before  
5 2018; and

6 (ii) in the portion of the 5-year period beginning in  
7 the State fiscal year in which the actuarial change first  
8 applied that occurs in State fiscal year 2018 or  
9 thereafter, by calculating the change in equal annual  
10 amounts over that 5-year period and then implementing it  
11 at the resulting annual rate in each of the remaining  
12 fiscal years in that 5-year period.

13 For State fiscal years 1996 through 2005, the State  
14 contribution to the System, as a percentage of the applicable  
15 employee payroll, shall be increased in equal annual  
16 increments so that by State fiscal year 2011, the State is  
17 contributing at the rate required under this Section; except  
18 that in the following specified State fiscal years, the State  
19 contribution to the System shall not be less than the  
20 following indicated percentages of the applicable employee  
21 payroll, even if the indicated percentage will produce a State  
22 contribution in excess of the amount otherwise required under  
23 this subsection and subsection (a), and notwithstanding any  
24 contrary certification made under subsection (a-1) before May  
25 27, 1998 (the effective date of Public Act 90-582): 10.02% in  
26 FY 1999; 10.77% in FY 2000; 11.47% in FY 2001; 12.16% in FY

1 2002; 12.86% in FY 2003; and 13.56% in FY 2004.

2 Notwithstanding any other provision of this Article, the  
3 total required State contribution for State fiscal year 2006  
4 is \$534,627,700.

5 Notwithstanding any other provision of this Article, the  
6 total required State contribution for State fiscal year 2007  
7 is \$738,014,500.

8 For each of State fiscal years 2008 through 2009, the  
9 State contribution to the System, as a percentage of the  
10 applicable employee payroll, shall be increased in equal  
11 annual increments from the required State contribution for  
12 State fiscal year 2007, so that by State fiscal year 2011, the  
13 State is contributing at the rate otherwise required under  
14 this Section.

15 Notwithstanding any other provision of this Article, the  
16 total required State contribution for State fiscal year 2010  
17 is \$2,089,268,000 and shall be made from the proceeds of bonds  
18 sold in fiscal year 2010 pursuant to Section 7.2 of the General  
19 Obligation Bond Act, less (i) the pro rata share of bond sale  
20 expenses determined by the System's share of total bond  
21 proceeds, (ii) any amounts received from the Common School  
22 Fund in fiscal year 2010, and (iii) any reduction in bond  
23 proceeds due to the issuance of discounted bonds, if  
24 applicable.

25 Notwithstanding any other provision of this Article, the  
26 total required State contribution for State fiscal year 2011

1 is the amount recertified by the System on or before April 1,  
2 2011 pursuant to subsection (a-1) of this Section and shall be  
3 made from the proceeds of bonds sold in fiscal year 2011  
4 pursuant to Section 7.2 of the General Obligation Bond Act,  
5 less (i) the pro rata share of bond sale expenses determined by  
6 the System's share of total bond proceeds, (ii) any amounts  
7 received from the Common School Fund in fiscal year 2011, and  
8 (iii) any reduction in bond proceeds due to the issuance of  
9 discounted bonds, if applicable. This amount shall include, in  
10 addition to the amount certified by the System, an amount  
11 necessary to meet employer contributions required by the State  
12 as an employer under paragraph (e) of this Section, which may  
13 also be used by the System for contributions required by  
14 paragraph (a) of Section 16-127.

15 Beginning in State fiscal year 2046, the minimum State  
16 contribution for each fiscal year shall be the amount needed  
17 to maintain the total assets of the System at 90% of the total  
18 actuarial liabilities of the System.

19 Amounts received by the System pursuant to Section 25 of  
20 the Budget Stabilization Act or Section 8.12 of the State  
21 Finance Act in any fiscal year do not reduce and do not  
22 constitute payment of any portion of the minimum State  
23 contribution required under this Article in that fiscal year.  
24 Such amounts shall not reduce, and shall not be included in the  
25 calculation of, the required State contributions under this  
26 Article in any future year until the System has reached a

1 funding ratio of at least 90%. A reference in this Article to  
2 the "required State contribution" or any substantially similar  
3 term does not include or apply to any amounts payable to the  
4 System under Section 25 of the Budget Stabilization Act.

5 Notwithstanding any other provision of this Section, the  
6 required State contribution for State fiscal year 2005 and for  
7 fiscal year 2008 and each fiscal year thereafter, as  
8 calculated under this Section and certified under subsection  
9 (a-1), shall not exceed an amount equal to (i) the amount of  
10 the required State contribution that would have been  
11 calculated under this Section for that fiscal year if the  
12 System had not received any payments under subsection (d) of  
13 Section 7.2 of the General Obligation Bond Act, minus (ii) the  
14 portion of the State's total debt service payments for that  
15 fiscal year on the bonds issued in fiscal year 2003 for the  
16 purposes of that Section 7.2, as determined and certified by  
17 the Comptroller, that is the same as the System's portion of  
18 the total moneys distributed under subsection (d) of Section  
19 7.2 of the General Obligation Bond Act. In determining this  
20 maximum for State fiscal years 2008 through 2010, however, the  
21 amount referred to in item (i) shall be increased, as a  
22 percentage of the applicable employee payroll, in equal  
23 increments calculated from the sum of the required State  
24 contribution for State fiscal year 2007 plus the applicable  
25 portion of the State's total debt service payments for fiscal  
26 year 2007 on the bonds issued in fiscal year 2003 for the

1 purposes of Section 7.2 of the General Obligation Bond Act, so  
2 that, by State fiscal year 2011, the State is contributing at  
3 the rate otherwise required under this Section.

4 (b-4) Beginning in fiscal year 2018, each employer under  
5 this Article shall pay to the System a required contribution  
6 determined as a percentage of projected payroll and sufficient  
7 to produce an annual amount equal to:

8 (i) for each of fiscal years 2018, 2019, and 2020, the  
9 defined benefit normal cost of the defined benefit plan,  
10 less the employee contribution, for each employee of that  
11 employer who has elected or who is deemed to have elected  
12 the benefits under Section 1-161 or who has made the  
13 election under subsection (b) of Section 1-161; for fiscal  
14 year 2021 and each fiscal year thereafter, the defined  
15 benefit normal cost of the defined benefit plan, less the  
16 employee contribution, plus 2%, for each employee of that  
17 employer who has elected or who is deemed to have elected  
18 the benefits under Section 1-161 or who has made the  
19 election under subsection (b) of Section 1-161; plus

20 (ii) the amount required for that fiscal year to  
21 amortize any unfunded actuarial accrued liability  
22 associated with the present value of liabilities  
23 attributable to the employer's account under Section  
24 16-158.3, determined as a level percentage of payroll over  
25 a 30-year rolling amortization period.

26 In determining contributions required under item (i) of

1 this subsection, the System shall determine an aggregate rate  
2 for all employers, expressed as a percentage of projected  
3 payroll.

4 In determining the contributions required under item (ii)  
5 of this subsection, the amount shall be computed by the System  
6 on the basis of the actuarial assumptions and tables used in  
7 the most recent actuarial valuation of the System that is  
8 available at the time of the computation.

9 The contributions required under this subsection (b-4)  
10 shall be paid by an employer concurrently with that employer's  
11 payroll payment period. The State, as the actual employer of  
12 an employee, shall make the required contributions under this  
13 subsection.

14 (c) Payment of the required State contributions and of all  
15 pensions, retirement annuities, death benefits, refunds, and  
16 other benefits granted under or assumed by this System, and  
17 all expenses in connection with the administration and  
18 operation thereof, are obligations of the State.

19 If members are paid from special trust or federal funds  
20 which are administered by the employing unit, whether school  
21 district or other unit, the employing unit shall pay to the  
22 System from such funds the full accruing retirement costs  
23 based upon that service, which, beginning July 1, 2017, shall  
24 be at a rate, expressed as a percentage of salary, equal to the  
25 total employer's normal cost, expressed as a percentage of  
26 payroll, as determined by the System. Employer contributions,

1 based on salary paid to members from federal funds, may be  
2 forwarded by the distributing agency of the State of Illinois  
3 to the System prior to allocation, in an amount determined in  
4 accordance with guidelines established by such agency and the  
5 System. Any contribution for fiscal year 2015 collected as a  
6 result of the change made by Public Act 98-674 shall be  
7 considered a State contribution under subsection (b-3) of this  
8 Section.

9 (d) Effective July 1, 1986, any employer of a teacher as  
10 defined in paragraph (8) of Section 16-106 shall pay the  
11 employer's normal cost of benefits based upon the teacher's  
12 service, in addition to employee contributions, as determined  
13 by the System. Such employer contributions shall be forwarded  
14 monthly in accordance with guidelines established by the  
15 System.

16 However, with respect to benefits granted under Section  
17 16-133.4 or 16-133.5 to a teacher as defined in paragraph (8)  
18 of Section 16-106, the employer's contribution shall be 12%  
19 (rather than 20%) of the member's highest annual salary rate  
20 for each year of creditable service granted, and the employer  
21 shall also pay the required employee contribution on behalf of  
22 the teacher. For the purposes of Sections 16-133.4 and  
23 16-133.5, a teacher as defined in paragraph (8) of Section  
24 16-106 who is serving in that capacity while on leave of  
25 absence from another employer under this Article shall not be  
26 considered an employee of the employer from which the teacher

1 is on leave.

2 (e) Beginning July 1, 1998, every employer of a teacher  
3 shall pay to the System an employer contribution computed as  
4 follows:

5 (1) Beginning July 1, 1998 through June 30, 1999, the  
6 employer contribution shall be equal to 0.3% of each  
7 teacher's salary.

8 (2) Beginning July 1, 1999 and thereafter, the  
9 employer contribution shall be equal to 0.58% of each  
10 teacher's salary.

11 The school district or other employing unit may pay these  
12 employer contributions out of any source of funding available  
13 for that purpose and shall forward the contributions to the  
14 System on the schedule established for the payment of member  
15 contributions.

16 These employer contributions are intended to offset a  
17 portion of the cost to the System of the increases in  
18 retirement benefits resulting from Public Act 90-582.

19 Each employer of teachers is entitled to a credit against  
20 the contributions required under this subsection (e) with  
21 respect to salaries paid to teachers for the period January 1,  
22 2002 through June 30, 2003, equal to the amount paid by that  
23 employer under subsection (a-5) of Section 6.6 of the State  
24 Employees Group Insurance Act of 1971 with respect to salaries  
25 paid to teachers for that period.

26 The additional 1% employee contribution required under

1 Section 16-152 by Public Act 90-582 is the responsibility of  
2 the teacher and not the teacher's employer, unless the  
3 employer agrees, through collective bargaining or otherwise,  
4 to make the contribution on behalf of the teacher.

5 If an employer is required by a contract in effect on May  
6 1, 1998 between the employer and an employee organization to  
7 pay, on behalf of all its full-time employees covered by this  
8 Article, all mandatory employee contributions required under  
9 this Article, then the employer shall be excused from paying  
10 the employer contribution required under this subsection (e)  
11 for the balance of the term of that contract. The employer and  
12 the employee organization shall jointly certify to the System  
13 the existence of the contractual requirement, in such form as  
14 the System may prescribe. This exclusion shall cease upon the  
15 termination, extension, or renewal of the contract at any time  
16 after May 1, 1998.

17 (f) If the amount of a teacher's salary for any school year  
18 used to determine final average salary exceeds the member's  
19 annual full-time salary rate with the same employer for the  
20 previous school year by more than 6%, the teacher's employer  
21 shall pay to the System, in addition to all other payments  
22 required under this Section and in accordance with guidelines  
23 established by the System, the present value of the increase  
24 in benefits resulting from the portion of the increase in  
25 salary that is in excess of 6%. This present value shall be  
26 computed by the System on the basis of the actuarial

1 assumptions and tables used in the most recent actuarial  
2 valuation of the System that is available at the time of the  
3 computation. If a teacher's salary for the 2005-2006 school  
4 year is used to determine final average salary under this  
5 subsection (f), then the changes made to this subsection (f)  
6 by Public Act 94-1057 shall apply in calculating whether the  
7 increase in his or her salary is in excess of 6%. For the  
8 purposes of this Section, change in employment under Section  
9 10-21.12 of the School Code on or after June 1, 2005 shall  
10 constitute a change in employer. The System may require the  
11 employer to provide any pertinent information or  
12 documentation. The changes made to this subsection (f) by  
13 Public Act 94-1111 apply without regard to whether the teacher  
14 was in service on or after its effective date.

15 Whenever it determines that a payment is or may be  
16 required under this subsection, the System shall calculate the  
17 amount of the payment and bill the employer for that amount.  
18 The bill shall specify the calculations used to determine the  
19 amount due. If the employer disputes the amount of the bill, it  
20 may, within 30 days after receipt of the bill, apply to the  
21 System in writing for a recalculation. The application must  
22 specify in detail the grounds of the dispute and, if the  
23 employer asserts that the calculation is subject to subsection  
24 (g), (g-5), (g-10), (g-15), (g-20), or (h) of this Section,  
25 must include an affidavit setting forth and attesting to all  
26 facts within the employer's knowledge that are pertinent to

1 the applicability of that subsection. Upon receiving a timely  
2 application for recalculation, the System shall review the  
3 application and, if appropriate, recalculate the amount due.

4 The employer contributions required under this subsection  
5 (f) may be paid in the form of a lump sum within 90 days after  
6 receipt of the bill. If the employer contributions are not  
7 paid within 90 days after receipt of the bill, then interest  
8 will be charged at a rate equal to the System's annual  
9 actuarially assumed rate of return on investment compounded  
10 annually from the 91st day after receipt of the bill. Payments  
11 must be concluded within 7 ~~3~~ years after the employer's  
12 receipt of the bill.

13 (f-1) (Blank).

14 (g) This subsection (g) applies only to payments made or  
15 salary increases given on or after June 1, 2005 but before July  
16 1, 2011. The changes made by Public Act 94-1057 shall not  
17 require the System to refund any payments received before July  
18 31, 2006 (the effective date of Public Act 94-1057).

19 When assessing payment for any amount due under subsection  
20 (f), the System shall exclude salary increases paid to  
21 teachers under contracts or collective bargaining agreements  
22 entered into, amended, or renewed before June 1, 2005.

23 When assessing payment for any amount due under subsection  
24 (f), the System shall exclude salary increases paid to a  
25 teacher at a time when the teacher is 10 or more years from  
26 retirement eligibility under Section 16-132 or 16-133.2.

1           When assessing payment for any amount due under subsection  
2 (f), the System shall exclude salary increases resulting from  
3 overload work, including summer school, when the school  
4 district has certified to the System, and the System has  
5 approved the certification, that (i) the overload work is for  
6 the sole purpose of classroom instruction in excess of the  
7 standard number of classes for a full-time teacher in a school  
8 district during a school year and (ii) the salary increases  
9 are equal to or less than the rate of pay for classroom  
10 instruction computed on the teacher's current salary and work  
11 schedule.

12           When assessing payment for any amount due under subsection  
13 (f), the System shall exclude a salary increase resulting from  
14 a promotion (i) for which the employee is required to hold a  
15 certificate or supervisory endorsement issued by the State  
16 Teacher Certification Board that is a different certification  
17 or supervisory endorsement than is required for the teacher's  
18 previous position and (ii) to a position that has existed and  
19 been filled by a member for no less than one complete academic  
20 year and the salary increase from the promotion is an increase  
21 that results in an amount no greater than the lesser of the  
22 average salary paid for other similar positions in the  
23 district requiring the same certification or the amount  
24 stipulated in the collective bargaining agreement for a  
25 similar position requiring the same certification.

26           When assessing payment for any amount due under subsection

1 (f), the System shall exclude any payment to the teacher from  
2 the State of Illinois or the State Board of Education over  
3 which the employer does not have discretion, notwithstanding  
4 that the payment is included in the computation of final  
5 average salary.

6 (g-5) When assessing payment for any amount due under  
7 subsection (f), the System shall exclude salary increases  
8 resulting from overload or stipend work performed in a school  
9 year subsequent to a school year in which the employer was  
10 unable to offer or allow to be conducted overload or stipend  
11 work due to an emergency declaration limiting such activities.

12 (g-10) When assessing payment for any amount due under  
13 subsection (f), the System shall exclude salary increases  
14 resulting from increased instructional time that exceeded the  
15 instructional time required during the 2019-2020 school year.

16 (g-15) When assessing payment for any amount due under  
17 subsection (f), the System shall exclude salary increases  
18 resulting from teaching summer school on or after May 1, 2021  
19 and before September 15, 2022.

20 (g-20) When assessing payment for any amount due under  
21 subsection (f), the System shall exclude salary increases  
22 necessary to bring a school board in compliance with Public  
23 Act 101-443 or this amendatory Act of the 103rd General  
24 Assembly.

25 (h) When assessing payment for any amount due under  
26 subsection (f), the System shall exclude any salary increase

1 described in subsection (g) of this Section given on or after  
2 July 1, 2011 but before July 1, 2014 under a contract or  
3 collective bargaining agreement entered into, amended, or  
4 renewed on or after June 1, 2005 but before July 1, 2011.  
5 Notwithstanding any other provision of this Section, any  
6 payments made or salary increases given after June 30, 2014  
7 shall be used in assessing payment for any amount due under  
8 subsection (f) of this Section.

9 (i) The System shall prepare a report and file copies of  
10 the report with the Governor and the General Assembly by  
11 January 1, 2007 that contains all of the following  
12 information:

13 (1) The number of recalculations required by the  
14 changes made to this Section by Public Act 94-1057 for  
15 each employer.

16 (2) The dollar amount by which each employer's  
17 contribution to the System was changed due to  
18 recalculations required by Public Act 94-1057.

19 (3) The total amount the System received from each  
20 employer as a result of the changes made to this Section by  
21 Public Act 94-4.

22 (4) The increase in the required State contribution  
23 resulting from the changes made to this Section by Public  
24 Act 94-1057.

25 (i-5) For school years beginning on or after July 1, 2017,  
26 if the amount of a participant's salary for any school year

1 exceeds the amount of the salary set for the Governor, the  
2 participant's employer shall pay to the System, in addition to  
3 all other payments required under this Section and in  
4 accordance with guidelines established by the System, an  
5 amount determined by the System to be equal to the employer  
6 normal cost, as established by the System and expressed as a  
7 total percentage of payroll, multiplied by the amount of  
8 salary in excess of the amount of the salary set for the  
9 Governor. This amount shall be computed by the System on the  
10 basis of the actuarial assumptions and tables used in the most  
11 recent actuarial valuation of the System that is available at  
12 the time of the computation. The System may require the  
13 employer to provide any pertinent information or  
14 documentation.

15 Whenever it determines that a payment is or may be  
16 required under this subsection, the System shall calculate the  
17 amount of the payment and bill the employer for that amount.  
18 The bill shall specify the calculations used to determine the  
19 amount due. If the employer disputes the amount of the bill, it  
20 may, within 30 days after receipt of the bill, apply to the  
21 System in writing for a recalculation. The application must  
22 specify in detail the grounds of the dispute. Upon receiving a  
23 timely application for recalculation, the System shall review  
24 the application and, if appropriate, recalculate the amount  
25 due.

26 The employer contributions required under this subsection

1 may be paid in the form of a lump sum within 90 days after  
2 receipt of the bill. If the employer contributions are not  
3 paid within 90 days after receipt of the bill, then interest  
4 will be charged at a rate equal to the System's annual  
5 actuarially assumed rate of return on investment compounded  
6 annually from the 91st day after receipt of the bill. Payments  
7 must be concluded within 3 years after the employer's receipt  
8 of the bill.

9 (j) For purposes of determining the required State  
10 contribution to the System, the value of the System's assets  
11 shall be equal to the actuarial value of the System's assets,  
12 which shall be calculated as follows:

13 As of June 30, 2008, the actuarial value of the System's  
14 assets shall be equal to the market value of the assets as of  
15 that date. In determining the actuarial value of the System's  
16 assets for fiscal years after June 30, 2008, any actuarial  
17 gains or losses from investment return incurred in a fiscal  
18 year shall be recognized in equal annual amounts over the  
19 5-year period following that fiscal year.

20 (k) For purposes of determining the required State  
21 contribution to the system for a particular year, the  
22 actuarial value of assets shall be assumed to earn a rate of  
23 return equal to the system's actuarially assumed rate of  
24 return.

25 (Source: P.A. 102-16, eff. 6-17-21; 102-525, eff. 8-20-21;  
26 102-558, eff. 8-20-21; 102-813, eff. 5-13-22; 103-515, eff.

1 8-11-23; 103-588, eff. 6-5-24.)

2 Article 19.

3 Section 19-5. The Illinois Pension Code is amended by  
4 changing Section 7-217 as follows:

5 (40 ILCS 5/7-217) (from Ch. 108 1/2, par. 7-217)

6 Sec. 7-217. Payment of benefits and assignments.

7 (a) Except as otherwise provided in this Section, all  
8 moneys in the Fund created by this Article, and all securities  
9 and other property of the Fund, and all annuities and other  
10 benefits payable under this Article, and all accumulated  
11 contributions and other credits of employees in this Fund, and  
12 the right of any person to receive an annuity or other benefit  
13 under this Article, or a refund or return of contributions,  
14 shall not be subject to judgment, execution, garnishment,  
15 attachment, or other seizure by process, in bankruptcy or  
16 otherwise, nor to sale, pledge, mortgage or other alienation,  
17 and shall not be assignable. Notwithstanding Section 1-103.1,  
18 the changes in this Section made by this amendatory Act of 1991  
19 shall not be limited to persons in service on or after its  
20 effective date. All annuities and other benefits payable under  
21 this Fund and all accumulated credits of employees in the Fund  
22 shall be exempt from state and municipal taxes.

23 (b) The board, in its discretion, may:

1           1. Pay to the wife of any annuitant or employee such  
2           portion, or all, of any retirement annuity, disability  
3           benefit, or separation benefit payable to an annuitant or  
4           employee, in the event of the disappearance or unexplained  
5           absence, or the failure to support such wife or children,  
6           as the board may consider necessary for the support of the  
7           wife or children of the annuitant or employee.

8           2. Where a temporary or total and permanent disability  
9           benefit becomes payable and the amount may be reduced by  
10          application of Section 7-148(b) or Section 7-152(b),  
11          postpone making the reduction, if there is a delay in the  
12          determination whether a disability benefit is payable  
13          under the Federal Social Security Act, until the  
14          determination has been made. The Board may retain out of  
15          any annuity or benefit to the participating employee or to  
16          any person taking through him the amount of any payment  
17          which is not reduced by reason of this paragraph.

18          3. Pay amounts payable to a minor or person under  
19          legal disability to a representative payee assuming  
20          responsibility for such minor or person under legal  
21          disability, waiving guardianship.

22          (c) The board may retain out of any annuity or benefit  
23          payable to any person such amount or amounts as the board may  
24          determine are owing to the fund because required employee  
25          contributions were not made, in whole or in part, or employee  
26          obligations to return refunds were not made, or because money

1 was paid to any annuitant or employee through  
2 misrepresentation, fraud or error.

3 (d) The board and the fund shall be held free from any  
4 liability for any money retained or paid in accordance with  
5 this section and the employee shall be assumed to have  
6 assented and agreed to any such disposition of money due.

7 (e) An annuitant entitled to receive an annuity may, for  
8 personal reasons and without disclosure thereof, request the  
9 board in writing to suspend for any period payment of all or  
10 any part of such annuity otherwise payable hereunder. The  
11 board, on receipt of such request, shall authorize such  
12 suspension, in which event the annuitant shall be deemed to  
13 have forfeited all rights to the amount of annuity so  
14 suspended, but shall retain the right to have full annuity  
15 otherwise payable reinstated as to future monthly payments  
16 upon written notice to the board of his desire to revoke his  
17 prior request for a suspension under this paragraph.

18 (f) The board may reimburse any municipality or  
19 participating instrumentality for employee contributions due  
20 such municipality or participating instrumentality, from funds  
21 withheld by the board pursuant to this Section.

22 (g) An annuitant may authorize the withholding of a  
23 portion of his annuity for payment ~~of dues~~ to any labor  
24 organization designated by the annuitant; however, no portion  
25 of annuities may be withheld pursuant to this subsection for  
26 payment to any one labor organization unless a minimum of 100

1 annuitants authorize such withholding, except that the Board  
2 may allow such withholding for less than 100 annuitants during  
3 a probationary period of between 3 and 6 months, as determined  
4 by the Board. The Board shall prescribe a form for the  
5 authorization of such withholding, and shall provide such  
6 forms to employees, annuitants and labor organizations upon  
7 request. Amounts withheld by the Board under this subsection  
8 shall be promptly paid over to the designated organizations.

9 (Source: P.A. 87-740.)

10 Article 23.

11 Section 23-5. The Illinois Pension Code is amended by  
12 changing Section 16-127 as follows:

13 (40 ILCS 5/16-127) (from Ch. 108 1/2, par. 16-127)

14 Sec. 16-127. Computation of creditable service.

15 (a) Each member shall receive regular credit for all  
16 service as a teacher from the date membership begins, for  
17 which satisfactory evidence is supplied and all contributions  
18 have been paid.

19 (b) The following periods of service shall earn optional  
20 credit and each member shall receive credit for all such  
21 service for which satisfactory evidence is supplied and all  
22 contributions have been paid as of the date specified:

23 (1) Prior service as a teacher.

1           (2) Service in a capacity essentially similar or  
2 equivalent to that of a teacher, in the public common  
3 schools in school districts in this State not included  
4 within the provisions of this System, or of any other  
5 State, territory, dependency or possession of the United  
6 States, or in schools operated by or under the auspices of  
7 the United States, or under the auspices of any agency or  
8 department of any other State, and service during any  
9 period of professional speech correction or special  
10 education experience for a public agency within this State  
11 or any other State, territory, dependency or possession of  
12 the United States, and service prior to February 1, 1951  
13 as a recreation worker for the Illinois Department of  
14 Public Safety, for a period not exceeding the lesser of  
15 2/5 of the total creditable service of the member or 10  
16 years. The maximum service of 10 years which is allowable  
17 under this paragraph shall be reduced by the service  
18 credit which is validated by other retirement systems  
19 under paragraph (i) of Section 15-113 and paragraph 1 of  
20 Section 17-133. Credit granted under this paragraph may  
21 not be used in determination of a retirement annuity or  
22 disability benefits unless the member has at least 5 years  
23 of creditable service earned subsequent to this employment  
24 with one or more of the following systems: Teachers'  
25 Retirement System of the State of Illinois, State  
26 Universities Retirement System, and the Public School

1 Teachers' Pension and Retirement Fund of Chicago. Whenever  
2 such service credit exceeds the maximum allowed for all  
3 purposes of this Article, the first service rendered in  
4 point of time shall be considered. The changes to this  
5 paragraph (2) made by Public Act 86-272 shall apply not  
6 only to persons who on or after its effective date (August  
7 23, 1989) are in service as a teacher under the System, but  
8 also to persons whose status as such a teacher terminated  
9 prior to such effective date, whether or not such person  
10 is an annuitant on that date.

11 (3) Any periods immediately following teaching  
12 service, under this System or under Article 17, (or  
13 immediately following service prior to February 1, 1951 as  
14 a recreation worker for the Illinois Department of Public  
15 Safety) spent in active service with the military forces  
16 of the United States; periods spent in educational  
17 programs that prepare for return to teaching sponsored by  
18 the federal government following such active military  
19 service; if a teacher returns to teaching service within  
20 one calendar year after discharge or after the completion  
21 of the educational program, a further period, not  
22 exceeding one calendar year, between time spent in  
23 military service or in such educational programs and the  
24 return to employment as a teacher under this System; and a  
25 period of up to 2 years of active military service not  
26 immediately following employment as a teacher.

1           The changes to this Section and Section 16-128  
2 relating to military service made by Public Act 87-794  
3 shall apply not only to persons who on or after its  
4 effective date are in service as a teacher under the  
5 System, but also to persons whose status as a teacher  
6 terminated prior to that date, whether or not the person  
7 is an annuitant on that date. In the case of an annuitant  
8 who applies for credit allowable under this Section for a  
9 period of military service that did not immediately follow  
10 employment, and who has made the required contributions  
11 for such credit, the annuity shall be recalculated to  
12 include the additional service credit, with the increase  
13 taking effect on the date the System received written  
14 notification of the annuitant's intent to purchase the  
15 credit, if payment of all the required contributions is  
16 made within 60 days of such notice, or else on the first  
17 annuity payment date following the date of payment of the  
18 required contributions. In calculating the automatic  
19 annual increase for an annuity that has been recalculated  
20 under this Section, the increase attributable to the  
21 additional service allowable under Public Act 87-794 shall  
22 be included in the calculation of automatic annual  
23 increases accruing after the effective date of the  
24 recalculation.

25           Credit for military service shall be determined as  
26 follows: if entry occurs during the months of July,

1 August, or September and the member was a teacher at the  
2 end of the immediately preceding school term, credit shall  
3 be granted from July 1 of the year in which he or she  
4 entered service; if entry occurs during the school term  
5 and the teacher was in teaching service at the beginning  
6 of the school term, credit shall be granted from July 1 of  
7 such year. In all other cases where credit for military  
8 service is allowed, credit shall be granted from the date  
9 of entry into the service.

10 The total period of military service for which credit  
11 is granted shall not exceed 5 years for any member unless  
12 the service: (A) is validated before July 1, 1964, and (B)  
13 does not extend beyond July 1, 1963. Credit for military  
14 service shall be granted under this Section only if not  
15 more than 5 years of the military service for which credit  
16 is granted under this Section is used by the member to  
17 qualify for a military retirement allotment from any  
18 branch of the armed forces of the United States. The  
19 changes to this paragraph (3) made by Public Act 86-272  
20 shall apply not only to persons who on or after its  
21 effective date (August 23, 1989) are in service as a  
22 teacher under the System, but also to persons whose status  
23 as such a teacher terminated prior to such effective date,  
24 whether or not such person is an annuitant on that date.

25 (4) Any periods served as a member of the General  
26 Assembly.

1           (5) (i) Any periods for which a teacher, as defined in  
2           Section 16-106, is granted a leave of absence, provided he  
3           or she returns to teaching service creditable under this  
4           System or the State Universities Retirement System  
5           following the leave; (ii) periods during which a teacher  
6           is involuntarily laid off from teaching, provided he or  
7           she returns to teaching following the lay-off; (iii)  
8           periods prior to July 1, 1983 during which a teacher  
9           ceased covered employment due to pregnancy, provided that  
10          the teacher returned to teaching service creditable under  
11          this System or the State Universities Retirement System  
12          following the pregnancy and submits evidence satisfactory  
13          to the Board documenting that the employment ceased due to  
14          pregnancy; and (iv) periods prior to July 1, 1983 during  
15          which a teacher ceased covered employment for the purpose  
16          of adopting an infant under 3 years of age or caring for a  
17          newly adopted infant under 3 years of age, provided that  
18          the teacher returned to teaching service creditable under  
19          this System or the State Universities Retirement System  
20          following the adoption and submits evidence satisfactory  
21          to the Board documenting that the employment ceased for  
22          the purpose of adopting an infant under 3 years of age or  
23          caring for a newly adopted infant under 3 years of age.  
24          However, total credit under this paragraph (5) may not  
25          exceed 3 years.

26           Any qualified member or annuitant may apply for credit

1 under item (iii) or (iv) of this paragraph (5) without  
2 regard to whether service was terminated before June 27,  
3 1997 (the effective date of Public Act 90-32). In the case  
4 of an annuitant who establishes credit under item (iii) or  
5 (iv), the annuity shall be recalculated to include the  
6 additional service credit. The increase in annuity shall  
7 take effect on the date the System receives written  
8 notification of the annuitant's intent to purchase the  
9 credit, if the required evidence is submitted and the  
10 required contribution paid within 60 days of that  
11 notification, otherwise on the first annuity payment date  
12 following the System's receipt of the required evidence  
13 and contribution. The increase in an annuity recalculated  
14 under this provision shall be included in the calculation  
15 of automatic annual increases in the annuity accruing  
16 after the effective date of the recalculation.

17 Optional credit may be purchased under this paragraph  
18 (5) for periods during which a teacher has been granted a  
19 leave of absence pursuant to Section 24-13 of the School  
20 Code. A teacher whose service under this Article  
21 terminated prior to the effective date of Public Act  
22 86-1488 shall be eligible to purchase such optional  
23 credit. If a teacher who purchases this optional credit is  
24 already receiving a retirement annuity under this Article,  
25 the annuity shall be recalculated as if the annuitant had  
26 applied for the leave of absence credit at the time of

1 retirement. The difference between the entitled annuity  
2 and the actual annuity shall be credited to the purchase  
3 of the optional credit. The remainder of the purchase cost  
4 of the optional credit shall be paid on or before April 1,  
5 1992.

6 The change in this paragraph made by Public Act 86-273  
7 shall be applicable to teachers who retire after June 1,  
8 1989, as well as to teachers who are in service on that  
9 date.

10 (6) Any days of unused and uncompensated accumulated  
11 sick leave earned by a teacher. The service credit granted  
12 under this paragraph shall be the ratio of the number of  
13 unused and uncompensated accumulated sick leave days to  
14 170 days, subject to a maximum of 2 years of service  
15 credit. Prior to the member's retirement, each former  
16 employer shall certify to the System the number of unused  
17 and uncompensated accumulated sick leave days credited to  
18 the member at the time of termination of service. The  
19 period of unused sick leave shall not be considered in  
20 determining the effective date of retirement. A member is  
21 not required to make contributions in order to obtain  
22 service credit for unused sick leave.

23 Credit for sick leave shall, at retirement, be granted  
24 by the System for any retiring regional or assistant  
25 regional superintendent of schools at the rate of 6 days  
26 per year of creditable service or portion thereof

1 established while serving as such superintendent or  
2 assistant superintendent.

3 (7) Periods prior to February 1, 1987 served as an  
4 employee of the Illinois Mathematics and Science Academy  
5 for which credit has not been terminated under Section  
6 15-113.9 of this Code.

7 (8) Service as a substitute teacher for work performed  
8 prior to July 1, 1990.

9 (9) Service as a part-time teacher for work performed  
10 prior to July 1, 1990.

11 (10) Up to 2 years of employment with Southern  
12 Illinois University - Carbondale from September 1, 1959 to  
13 August 31, 1961, or with Governors State University from  
14 September 1, 1972 to August 31, 1974, for which the  
15 teacher has no credit under Article 15. To receive credit  
16 under this item (10), a teacher must apply in writing to  
17 the Board and pay the required contributions before May 1,  
18 1993 and have at least 12 years of service credit under  
19 this Article.

20 (11) Periods of service as a student teacher as  
21 described in Section 24-8.5 of the School Code for which  
22 the student teacher received a salary.

23 (b-1) A member may establish optional credit for up to 2  
24 years of service as a teacher or administrator employed by a  
25 private school recognized by the Illinois State Board of  
26 Education, provided that the teacher (i) was certified under

1 the law governing the certification of teachers at the time  
2 the service was rendered, (ii) applies in writing on or before  
3 June 30, 2028, (iii) supplies satisfactory evidence of the  
4 employment, (iv) completes at least 10 years of contributing  
5 service as a teacher as defined in Section 16-106, and (v) pays  
6 the contribution required in subsection (d-5) of Section  
7 16-128. The member may apply for credit under this subsection  
8 and pay the required contribution before completing the 10  
9 years of contributing service required under item (iv), but  
10 the credit may not be used until the item (iv) contributing  
11 service requirement has been met.

12 (b-2) A member may establish optional credit for up to 2  
13 years of service as a career and technical educator,  
14 including, but not limited to, a career and technical  
15 education teacher, for which credit is not held in any other  
16 public employee pension fund or retirement system if the  
17 member (i) was certified or licensed under the law governing  
18 the certification or licensure of teachers at the time the  
19 service was rendered, (ii) applies in writing on or before  
20 June 30, 2028, (iii) supplies satisfactory evidence of the  
21 employment, (iv) completes at least 10 years of contributing  
22 service as a teacher as defined in Section 16-106, and (v) pays  
23 the contribution required in subsection (d-5) of Section  
24 16-128. The member may apply for credit under this subsection  
25 and pay the required contribution before completing the 10  
26 years of contributing service required under item (iv), but

1 the credit may not be used until the item (iv) contributing  
2 service requirement has been met.

3 (c) The service credits specified in this Section shall be  
4 granted only if: (1) such service credits are not used for  
5 credit in any other statutory tax-supported public employee  
6 retirement system other than the federal Social Security  
7 program; and (2) the member makes the required contributions  
8 as specified in Section 16-128. Except as provided in  
9 subsection (b-1) of this Section, the service credit shall be  
10 effective as of the date the required contributions are  
11 completed.

12 Any service credits granted under this Section shall  
13 terminate upon cessation of membership for any cause.

14 Credit may not be granted under this Section covering any  
15 period for which an age retirement or disability retirement  
16 allowance has been paid.

17 Credit may not be granted under this Section for service  
18 as an employee of an entity that provides substitute teaching  
19 services under Section 2-3.173 of the School Code and is not a  
20 school district.

21 (Source: P.A. 102-525, eff. 8-20-21; 103-17, eff. 6-9-23;  
22 103-525, eff. 8-11-23; 103-605, eff. 7-1-24.)

23 Article 26.

24 Section 26-5. The Illinois Pension Code is amended by

1 changing Sections 3-110.12 and 4-108 as follows:

2 (40 ILCS 5/3-110.12)

3 Sec. 3-110.12. Transfer to Article 4 fund.

4 (a) At any time during the 6 months following the  
5 effective date of this Section, an active member of an Article  
6 4 firefighters' pension fund may apply for transfer to that  
7 fund of up to 6 years of his or her creditable service  
8 accumulated in the police pension fund under this Article that  
9 is administered by the same unit of local government if that  
10 active member was not subject to disciplinary action when he  
11 or she terminated employment with that police department. The  
12 creditable service shall be transferred upon payment by the  
13 police pension fund to the Article 4 fund of an amount equal  
14 to:

15 (1) the amounts accumulated to the credit of the  
16 applicant on the books of the fund on the date of transfer  
17 for the service to be transferred; and

18 (2) employer contributions in an amount equal to the  
19 amount determined under item (1); and

20 (3) any interest paid by the applicant in order to  
21 reinstate service.

22 Participation in the police pension fund with respect to  
23 the transferred creditable service shall terminate on the date  
24 of transfer.

25 (a-5) At any time during the 6 months following the

1 effective date of this amendatory Act of the 102nd General  
2 Assembly, an active member of an Article 4 firefighters'  
3 pension fund may apply for transfer to that fund of up to 8  
4 years of his or her creditable service accumulated in a police  
5 pension fund under this Article that is administered by a unit  
6 of local government if that active member was not subject to  
7 disciplinary action when he or she terminated employment with  
8 that police department. The creditable service shall be  
9 transferred upon payment by the police pension fund to the  
10 Article 4 fund of an amount equal to:

11 (1) the amounts accumulated to the credit of the  
12 applicant on the books of the fund on the date of transfer  
13 for the service to be transferred; and

14 (2) employer contributions in an amount equal to the  
15 amount determined under item (1); and

16 (3) any interest paid by the applicant in order to  
17 reinstate service.

18 Participation in the police pension fund with respect to  
19 the transferred creditable service shall terminate on the date  
20 of transfer.

21 (a-10) At any time during the 6 months following the  
22 effective date of this amendatory Act of the 104th General  
23 Assembly, an active member of an Article 4 firefighters'  
24 pension fund may apply for transfer to that fund of up to 8  
25 years of his or her creditable service accumulated in a police  
26 pension fund under this Article that is administered by a unit

1 of local government if that active member was not subject to  
2 disciplinary action when he or she terminated employment with  
3 that police department. The creditable service shall be  
4 transferred upon payment by the police pension fund to the  
5 Article 4 fund of an amount equal to:

6 (1) the amounts accumulated to the credit of the  
7 applicant on the books of the fund on the date of transfer  
8 for the service to be transferred; and

9 (2) employer contributions in an amount equal to the  
10 amount determined under item (1); and

11 (3) any interest paid by the applicant in order to  
12 reinstate service.

13 Participation in the police pension fund with respect to  
14 the transferred creditable service shall terminate on the date  
15 of transfer.

16 (b) At the time of applying for transfer of creditable  
17 service under this Section, an active member of an Article 4  
18 firefighters' pension fund may, for the purpose of that  
19 transfer, reinstate creditable service that was terminated by  
20 receipt of a refund, by payment to the police pension fund of  
21 the amount of the refund with interest thereon at the rate of  
22 6% per year, compounded annually, from the date of the refund  
23 to the date of payment.

24 (Source: P.A. 102-63, eff. 7-9-21.)

1           Sec. 4-108. Creditable service.

2           (a) Creditable service is the time served as a firefighter  
3 of a municipality. In computing creditable service, furloughs  
4 and leaves of absence without pay exceeding 30 days in any one  
5 year shall not be counted, but leaves of absence for illness or  
6 accident regardless of length, and periods of disability for  
7 which a firefighter received no disability pension payments  
8 under this Article, shall be counted.

9           (b) Furloughs and leaves of absence of 30 days or less in  
10 any one year may be counted as creditable service, if the  
11 firefighter makes the contribution to the fund that would have  
12 been required had he or she not been on furlough or leave of  
13 absence. To qualify for this creditable service, the  
14 firefighter must pay the required contributions to the fund  
15 not more than 90 days subsequent to the termination of the  
16 furlough or leave of absence, to the extent that the  
17 municipality has not made such contribution on his or her  
18 behalf.

19           (c) Creditable service includes:

20           (1) Service in the military, naval or air forces of  
21 the United States entered upon when the person was an  
22 active firefighter, provided that, upon applying for a  
23 permanent pension, and in accordance with the rules of the  
24 board the firefighter pays into the fund the amount that  
25 would have been contributed had he or she been a regular  
26 contributor during such period of service, if and to the

1 extent that the municipality which the firefighter served  
2 made no such contributions in his or her behalf. The total  
3 amount of such creditable service shall not exceed 5  
4 years, except that any firefighter who on July 1, 1973 had  
5 more than 5 years of such creditable service shall receive  
6 the total amount thereof as of that date.

7 (1.5) Up to 24 months of service in the military,  
8 naval, or air forces of the United States that was served  
9 prior to employment by a municipality or fire protection  
10 district as a firefighter. To receive the credit for the  
11 military service prior to the employment as a firefighter,  
12 the firefighter must apply in writing to the fund and must  
13 make contributions to the fund equal to (i) the employee  
14 contributions that would have been required had the  
15 service been rendered as a member, plus (ii) an amount  
16 determined by the fund to be equal to the employer's  
17 normal cost of the benefits accrued for that military  
18 service, plus (iii) interest at the actuarially assumed  
19 rate provided by the Public Pension Division of the  
20 Department of Insurance, compounded annually from the  
21 first date of membership in the fund to the date of payment  
22 on items (i) and (ii). The changes to this paragraph (1.5)  
23 by this amendatory Act of the 95th General Assembly apply  
24 only to participating employees in service on or after its  
25 effective date.

26 (2) Service prior to July 1, 1976 by a firefighter

1 initially excluded from participation by reason of age who  
2 elected to participate and paid the required contributions  
3 for such service.

4 (3) Up to 8 years of service by a firefighter as an  
5 officer in a statewide firefighters' association when he  
6 is on a leave of absence from a municipality's payroll,  
7 provided that (i) the firefighter has at least 10 years of  
8 creditable service as an active firefighter, (ii) the  
9 firefighter contributes to the fund the amount that he  
10 would have contributed had he remained an active member of  
11 the fund, (iii) the employee or statewide firefighter  
12 association contributes to the fund an amount equal to the  
13 employer's required contribution as determined by the  
14 board, and (iv) for all leaves of absence under this  
15 subdivision (3), including those beginning before the  
16 effective date of this amendatory Act of the 97th General  
17 Assembly, the firefighter continues to remain in sworn  
18 status, subject to the professional standards of the  
19 public employer or those terms established in statute.

20 (4) Time spent as an on-call fireman for a  
21 municipality, calculated at the rate of one year of  
22 creditable service for each 5 years of time spent as an  
23 on-call fireman, provided that (i) the firefighter has at  
24 least 18 years of creditable service as an active  
25 firefighter, (ii) the firefighter spent at least 14 years  
26 as an on-call firefighter for the municipality, (iii) the

1 firefighter applies for such creditable service within 30  
2 days after the effective date of this amendatory Act of  
3 1989, (iv) the firefighter contributes to the Fund an  
4 amount representing employee contributions for the number  
5 of years of creditable service granted under this  
6 subdivision (4), based on the salary and contribution rate  
7 in effect for the firefighter at the date of entry into the  
8 Fund, to be determined by the board, and (v) not more than  
9 3 years of creditable service may be granted under this  
10 subdivision (4).

11 Except as provided in Section 4-108.5, creditable  
12 service shall not include time spent as a volunteer  
13 firefighter, whether or not any compensation was received  
14 therefor. The change made in this Section by Public Act  
15 83-0463 is intended to be a restatement and clarification  
16 of existing law, and does not imply that creditable  
17 service was previously allowed under this Article for time  
18 spent as a volunteer firefighter.

19 (5) Time served between July 1, 1976 and July 1, 1988  
20 in the position of protective inspection officer or  
21 administrative assistant for fire services, for a  
22 municipality with a population under 10,000 that is  
23 located in a county with a population over 3,000,000 and  
24 that maintains a firefighters' pension fund under this  
25 Article, if the position included firefighting duties,  
26 notwithstanding that the person may not have held an

1 appointment as a firefighter, provided that application is  
2 made to the pension fund within 30 days after the  
3 effective date of this amendatory Act of 1991, and the  
4 corresponding contributions are paid for the number of  
5 years of service granted, based upon the salary and  
6 contribution rate in effect for the firefighter at the  
7 date of entry into the pension fund, as determined by the  
8 Board.

9 (6) Service before becoming a participant by a  
10 firefighter initially excluded from participation by  
11 reason of age who becomes a participant under the  
12 amendment to Section 4-107 made by this amendatory Act of  
13 1993 and pays the required contributions for such service.

14 (7) Up to 3 years of time during which the firefighter  
15 receives a disability pension under Section 4-110,  
16 4-110.1, or 4-111, provided that (i) the firefighter  
17 returns to active service after the disability for a  
18 period at least equal to the period for which credit is to  
19 be established and (ii) the firefighter makes  
20 contributions to the fund based on the rates specified in  
21 Section 4-118.1 and the salary upon which the disability  
22 pension is based. These contributions may be paid at any  
23 time prior to the commencement of a retirement pension.  
24 The firefighter may, but need not, elect to have the  
25 contributions deducted from the disability pension or to  
26 pay them in installments on a schedule approved by the

1 board. If not deducted from the disability pension, the  
2 contributions shall include interest at the rate of 6% per  
3 year, compounded annually, from the date for which service  
4 credit is being established to the date of payment. If  
5 contributions are paid under this subdivision (c)(7) in  
6 excess of those needed to establish the credit, the excess  
7 shall be refunded. This subdivision (c)(7) applies to  
8 persons receiving a disability pension under Section  
9 4-110, 4-110.1, or 4-111 on the effective date of this  
10 amendatory Act of the 91st General Assembly, as well as  
11 persons who begin to receive such a disability pension  
12 after that date.

13 (8) Up to 6 years of service as a police officer and  
14 participant in an Article 3 police pension fund  
15 administered by the unit of local government that employs  
16 the firefighter under this Article, provided that the  
17 service has been transferred to, and the required payment  
18 received by, the Article 4 fund in accordance with  
19 subsection (a) of Section 3-110.12 of this Code.

20 (9) Up to 8 years of service as a police officer and  
21 participant in an Article 3 police pension fund  
22 administered by a unit of local government, provided that  
23 the service has been transferred to, and the required  
24 payment received by, the Article 4 fund in accordance with  
25 subsection (a-5) of Section 3-110.12 of this Code.

26 (10) Up to 8 years of service as a police officer and

1 participant in an Article 3 police pension fund  
2 administered by a unit of local government, provided that:  
3 (1) the service has been transferred to, and the required  
4 payment has been received by, the Article 4 fund in  
5 accordance with subsection (a-10) of Section 3-110.12 of  
6 this Code; and (2) payment to the fund has been made in an  
7 amount, determined by the board, equal to (i) the  
8 difference between the amount of employee and employer  
9 contributions transferred to the fund under subsection  
10 (a-10) of Section 3-110.12 and the amounts that would have  
11 been contributed had such contributions been made at the  
12 rates applicable to a firefighter under this Article, plus  
13 (ii) interest thereon at the actuarially assumed rate,  
14 compounded annually, from the date of service to the date  
15 of payment.

16 (Source: P.A. 102-63, eff. 7-9-21; 103-426, eff. 8-4-23.)

17 Article 27.

18 Section 27-5. The Illinois Pension Code is amended by  
19 changing Section 9-179.1 as follows:

20 (40 ILCS 5/9-179.1) (from Ch. 108 1/2, par. 9-179.1)

21 Sec. 9-179.1. Military service. A contributing employee  
22 may elect to purchase creditable service for up to 24 months of  
23 active-duty military service, whether or not that service

1 followed service as a county employee. The military service  
2 need not have been served in wartime, but the employee must not  
3 have been dishonorably discharged. To establish this  
4 creditable service, the contributing employee must pay to the  
5 Fund, while in the service of the county, an amount determined  
6 by the Fund to represent (i) the employee contributions for  
7 the creditable service based on his or her rate of  
8 compensation on his or her last day as a contributor before the  
9 military service or on his or her first day as a contributor  
10 after the military service, whichever is greater, plus (ii)  
11 interest calculated at the effective rate from the date used  
12 to determine the rate of compensation for employee  
13 contributions under item (i) to the date of payment. A  
14 ~~contributing employee may apply for creditable service for up~~  
15 ~~to 2 years of military service whether or not the military~~  
16 ~~service followed service as a county employee. The military~~  
17 ~~service need not have been served in wartime, but the employee~~  
18 ~~must not have been dishonorably discharged. To establish this~~  
19 ~~creditable service the applicant must pay to the Fund, while~~  
20 ~~in the service of the county, an amount determined by the Fund~~  
21 ~~to represent the employee contributions for the creditable~~  
22 ~~service established, based on the employee's rate of~~  
23 ~~compensation on his or her last day as a contributor before the~~  
24 ~~military service, or on his or her first day as a contributor~~  
25 ~~after the military service, whichever is greater, plus~~  
26 ~~interest at the effective rate from the date of discharge to~~

1 ~~the date of payment. If a person who has established any credit~~  
2 ~~under this Section applies for or receives any early~~  
3 ~~retirement incentive under Section 9-134.2, the credit under~~  
4 ~~this Section shall be forfeited and the amount paid to the Fund~~  
5 ~~under this Section shall be refunded.~~

6 (Source: P.A. 103-529, eff. 8-11-23.)

7 Article 30.

8 Section 30-5. The Illinois Pension Code is amended by  
9 adding Sections 3-110.15 and 4-108.9 as follows:

10 (40 ILCS 5/3-110.15 new)

11 Sec. 3-110.15. Transfer from Article 4 fund. Until 6  
12 months after the effective date of this amendatory Act of the  
13 104th General Assembly, a person may transfer to a fund  
14 established under this Article up to 8 years of creditable  
15 service accumulated in a firefighter pension fund under  
16 Article 4 that is administered by a unit of local government,  
17 if that active member was not subject to disciplinary action  
18 when he or she terminated employment with that employer, upon  
19 payment to the fund of an amount to be determined by the board,  
20 equal to (i) the difference between the amount of employee and  
21 employer contributions transferred to the fund under Section  
22 4-108.9 and the amounts that would have been contributed had  
23 such contributions been made at the rates applicable to a

1 police officer under this Article, plus (ii) interest thereon  
2 at the actuarially assumed rate, compounded annually, from the  
3 date of service to the date of payment.

4 (40 ILCS 5/4-108.9 new)

5 Sec. 4-108.9. Transfer to Article 3 fund.

6 (a) At any time during the 6 months following the  
7 effective date of this amendatory Act of the 104th General  
8 Assembly, an active member of an Article 3 police pension fund  
9 may apply for transfer to that fund of up to 8 years of his or  
10 her creditable service accumulated in a firefighter pension  
11 fund under this Article that is administered by a unit of local  
12 government if that active member was not subject to  
13 disciplinary action when he or she terminated employment with  
14 that employer. The creditable service shall be transferred  
15 upon payment by the firefighter pension fund to the Article 3  
16 fund of an amount equal to:

17 (1) the amounts accumulated to the credit of the  
18 applicant on the books of the fund on the date of transfer  
19 for the service to be transferred; and

20 (2) employer contributions in an amount equal to the  
21 amount determined under item (1); and

22 (3) any interest paid by the applicant in order to  
23 reinstate service.

24 Participation in the firefighter pension fund with respect  
25 to the transferred creditable service shall terminate on the

1 date of transfer.

2 (b) At the time of applying for transfer of creditable  
3 service under this Section, an active member of an Article 3  
4 police pension fund may, for the purpose of that transfer,  
5 reinstate creditable service that was terminated by receipt of  
6 a refund, by payment to the police pension fund of the amount  
7 of the refund with interest thereon at the rate of 6% per year,  
8 compounded annually, from the date of the refund to the date of  
9 payment.

10 Article 33.

11 Section 33-5. The Illinois Pension Code is amended by  
12 adding Section 8-207.1 as follows:

13 (40 ILCS 5/8-207.1 new)

14 Sec. 8-207.1. To reproduce records. To have any records  
15 kept by the board photographed, microfilmed, or digitally or  
16 electronically reproduced in accordance with the Local Records  
17 Act. The photographs, microfilm, and digital and electronic  
18 reproductions shall be deemed original records and documents  
19 for all purposes, including introduction in evidence before  
20 all courts and administrative agencies.

21 Article 34.

1 Section 34-5. The Illinois Pension Code is amended by  
2 changing Sections 14-110 and 14-152.1 as follows:

3 (40 ILCS 5/14-110) (from Ch. 108 1/2, par. 14-110)

4 (Text of Section from P.A. 102-813 and 103-34)

5 Sec. 14-110. Alternative retirement annuity.

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

15 (i) for periods of service as a noncovered employee:  
16 if retirement occurs on or after January 1, 2001, 3% of  
17 final average compensation for each year of creditable  
18 service; if retirement occurs before January 1, 2001, 2  
19 1/4% of final average compensation for each of the first  
20 10 years of creditable service, 2 1/2% for each year above  
21 10 years to and including 20 years of creditable service,  
22 and 2 3/4% for each year of creditable service above 20  
23 years; and

24 (ii) for periods of eligible creditable service as a  
25 covered employee: if retirement occurs on or after January

1 1, 2001, 2.5% of final average compensation for each year  
2 of creditable service; if retirement occurs before January  
3 1, 2001, 1.67% of final average compensation for each of  
4 the first 10 years of such service, 1.90% for each of the  
5 next 10 years of such service, 2.10% for each year of such  
6 service in excess of 20 but not exceeding 30, and 2.30% for  
7 each year in excess of 30.

8 Such annuity shall be subject to a maximum of 75% of final  
9 average compensation if retirement occurs before January 1,  
10 2001 or to a maximum of 80% of final average compensation if  
11 retirement occurs on or after January 1, 2001.

12 These rates shall not be applicable to any service  
13 performed by a member as a covered employee which is not  
14 eligible creditable service. Service as a covered employee  
15 which is not eligible creditable service shall be subject to  
16 the rates and provisions of Section 14-108.

17 (a-5) A member who is eligible to receive an alternative  
18 retirement annuity under this Section may elect to receive an  
19 estimated payment that shall commence no later than 30 days  
20 after the later of either the member's last day of employment  
21 or 30 days after the member files for the retirement benefit  
22 with the System. The estimated payment shall be the best  
23 estimate by the System of the total monthly amount due to the  
24 member based on the information that the System possesses at  
25 the time of the estimate. If the amount of the estimate is  
26 greater or less than the actual amount of the monthly annuity,

1 the System shall pay or recover the difference within 6 months  
2 after the start of the monthly annuity.

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

6 (1) State policeman;

7 (2) fire fighter in the fire protection service of a  
8 department;

9 (3) air pilot;

10 (4) special agent;

11 (5) investigator for the Secretary of State;

12 (6) conservation police officer;

13 (7) investigator for the Department of Revenue or the  
14 Illinois Gaming Board;

15 (8) security employee of the Department of Human  
16 Services;

17 (9) Central Management Services security police  
18 officer;

19 (10) security employee of the Department of  
20 Corrections or the Department of Juvenile Justice;

21 (11) dangerous drugs investigator;

22 (12) investigator for the Illinois State Police;

23 (13) investigator for the Office of the Attorney  
24 General;

25 (14) controlled substance inspector;

26 (15) investigator for the Office of the State's

1 Attorneys Appellate Prosecutor;

2 (16) Commerce Commission police officer;

3 (17) arson investigator;

4 (18) State highway maintenance worker;

5 (19) security employee of the Department of Innovation  
6 and Technology; or

7 (20) transferred employee.

8 A person employed in one of the positions specified in  
9 this subsection is entitled to eligible creditable service for  
10 service credit earned under this Article while undergoing the  
11 basic police training course approved by the Illinois Law  
12 Enforcement Training Standards Board, if completion of that  
13 training is required of persons serving in that position. For  
14 the purposes of this Code, service during the required basic  
15 police training course shall be deemed performance of the  
16 duties of the specified position, even though the person is  
17 not a sworn peace officer at the time of the training.

18 A person under paragraph (20) is entitled to eligible  
19 creditable service for service credit earned under this  
20 Article on and after his or her transfer by Executive Order No.  
21 2003-10, Executive Order No. 2004-2, or Executive Order No.  
22 2016-1.

23 (c) For the purposes of this Section:

24 (1) The term "State policeman" includes any title or  
25 position in the Illinois State Police that is held by an  
26 individual employed under the Illinois State Police Act.

1           (2) The term "fire fighter in the fire protection  
2 service of a department" includes all officers in such  
3 fire protection service including fire chiefs and  
4 assistant fire chiefs.

5           (3) The term "air pilot" includes any employee whose  
6 official job description on file in the Department of  
7 Central Management Services, or in the department by which  
8 he is employed if that department is not covered by the  
9 Personnel Code, states that his principal duty is the  
10 operation of aircraft, and who possesses a pilot's  
11 license; however, the change in this definition made by  
12 Public Act 83-842 shall not operate to exclude any  
13 noncovered employee who was an "air pilot" for the  
14 purposes of this Section on January 1, 1984.

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

1 individual employed under the Illinois State Police Act.

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

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

17 (6) The term "Conservation Police Officer" means any  
18 person employed by the Division of Law Enforcement of the  
19 Department of Natural Resources and vested with such law  
20 enforcement duties as render him ineligible for coverage  
21 under the Social Security Act by reason of Sections  
22 218(d)(5)(A), 218(d)(8)(D), and 218(1)(1) of that Act. The  
23 term "Conservation Police Officer" includes the positions  
24 of Chief Conservation Police Administrator and Assistant  
25 Conservation Police Administrator.

26 (7) The term "investigator for the Department of

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

6 The term "investigator for the Illinois Gaming Board"  
7 means any person employed as such by the Illinois Gaming  
8 Board and vested with such peace officer duties as render  
9 the person ineligible for coverage under the Social  
10 Security Act by reason of Sections 218(d)(5)(A),  
11 218(d)(8)(D), and 218(1)(1) of that Act.

12 (8) The term "security employee of the Department of  
13 Human Services" means any person employed by the  
14 Department of Human Services who (i) is employed at the  
15 Chester Mental Health Center and has daily contact with  
16 the residents thereof, (ii) is employed within a security  
17 unit at a facility operated by the Department and has  
18 daily contact with the residents of the security unit,  
19 (iii) is employed at a facility operated by the Department  
20 that includes a security unit and is regularly scheduled  
21 to work at least 50% of his or her working hours within  
22 that security unit, or (iv) is a mental health police  
23 officer. "Mental health police officer" means any person  
24 employed by the Department of Human Services in a position  
25 pertaining to the Department's mental health and  
26 developmental disabilities functions who is vested with

1 such law enforcement duties as render the person  
2 ineligible for coverage under the Social Security Act by  
3 reason of Sections 218(d)(5)(A), 218(d)(8)(D) and  
4 218(1)(1) of that Act. "Security unit" means that portion  
5 of a facility that is devoted to the care, containment,  
6 and treatment of persons committed to the Department of  
7 Human Services as sexually violent persons, persons unfit  
8 to stand trial, or persons not guilty by reason of  
9 insanity. With respect to past employment, references to  
10 the Department of Human Services include its predecessor,  
11 the Department of Mental Health and Developmental  
12 Disabilities.

13 The changes made to this subdivision (c)(8) by Public  
14 Act 92-14 apply to persons who retire on or after January  
15 1, 2001, notwithstanding Section 1-103.1.

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

22 (10) For a member who first became an employee under  
23 this Article before July 1, 2005, the term "security  
24 employee of the Department of Corrections or the  
25 Department of Juvenile Justice" means any employee of the  
26 Department of Corrections or the Department of Juvenile

1 Justice or the former Department of Personnel, and any  
2 member or employee of the Prisoner Review Board, who has  
3 daily contact with inmates or youth by working within a  
4 correctional facility or Juvenile facility operated by the  
5 Department of Juvenile Justice or who is a parole officer  
6 or an employee who has direct contact with committed  
7 persons in the performance of his or her job duties. For a  
8 member who first becomes an employee under this Article on  
9 or after July 1, 2005, the term means an employee of the  
10 Department of Corrections or the Department of Juvenile  
11 Justice who is any of the following: (i) officially  
12 headquartered at a correctional facility or Juvenile  
13 facility operated by the Department of Juvenile Justice,  
14 (ii) a parole officer, (iii) a member of the apprehension  
15 unit, (iv) a member of the intelligence unit, (v) a member  
16 of the sort team, or (vi) an investigator.

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

20 (12) The term "investigator for the Illinois State  
21 Police" means a person employed by the Illinois State  
22 Police who is vested under Section 4 of the Narcotic  
23 Control Division Abolition Act with such law enforcement  
24 powers as render him ineligible for coverage under the  
25 Social Security Act by reason of Sections 218(d)(5)(A),  
26 218(d)(8)(D) and 218(1)(1) of that Act.

1           (13) "Investigator for the Office of the Attorney  
2           General" means any person who is employed as such by the  
3           Office of the Attorney General and is vested with such  
4           investigative duties as render him ineligible for coverage  
5           under the Social Security Act by reason of Sections  
6           218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act. For  
7           the period before January 1, 1989, the term includes all  
8           persons who were employed as investigators by the Office  
9           of the Attorney General, without regard to social security  
10          status.

11          (14) "Controlled substance inspector" means any person  
12          who is employed as such by the Department of Professional  
13          Regulation and is vested with such law enforcement duties  
14          as render him ineligible for coverage under the Social  
15          Security Act by reason of Sections 218(d)(5)(A),  
16          218(d)(8)(D) and 218(1)(1) of that Act. The term  
17          "controlled substance inspector" includes the Program  
18          Executive of Enforcement and the Assistant Program  
19          Executive of Enforcement.

20          (15) The term "investigator for the Office of the  
21          State's Attorneys Appellate Prosecutor" means a person  
22          employed in that capacity on a full-time basis under the  
23          authority of Section 7.06 of the State's Attorneys  
24          Appellate Prosecutor's Act.

25          (16) "Commerce Commission police officer" means any  
26          person employed by the Illinois Commerce Commission who is

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

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

21          (18) The term "State highway maintenance worker" means  
22          a person who is either of the following:

23                 (i) A person employed on a full-time basis by the  
24                 Illinois Department of Transportation in the position  
25                 of highway maintainer, highway maintenance lead  
26                 worker, highway maintenance lead/lead worker, heavy

1 construction equipment operator, power shovel  
2 operator, or bridge mechanic; and whose principal  
3 responsibility is to perform, on the roadway, the  
4 actual maintenance necessary to keep the highways that  
5 form a part of the State highway system in serviceable  
6 condition for vehicular traffic.

7 (ii) A person employed on a full-time basis by the  
8 Illinois State Toll Highway Authority in the position  
9 of equipment operator/laborer H-4, equipment  
10 operator/laborer H-6, welder H-4, welder H-6,  
11 mechanical/electrical H-4, mechanical/electrical H-6,  
12 water/sewer H-4, water/sewer H-6, sign maker/hanger  
13 H-4, sign maker/hanger H-6, roadway lighting H-4,  
14 roadway lighting H-6, structural H-4, structural H-6,  
15 painter H-4, or painter H-6; and whose principal  
16 responsibility is to perform, on the roadway, the  
17 actual maintenance necessary to keep the Authority's  
18 tollways in serviceable condition for vehicular  
19 traffic.

20 (19) The term "security employee of the Department of  
21 Innovation and Technology" means a person who was a  
22 security employee of the Department of Corrections or the  
23 Department of Juvenile Justice, was transferred to the  
24 Department of Innovation and Technology pursuant to  
25 Executive Order 2016-01, and continues to perform similar  
26 job functions under that Department.

1           (20) "Transferred employee" means an employee who was  
2 transferred to the Department of Central Management  
3 Services by Executive Order No. 2003-10 or Executive Order  
4 No. 2004-2 or transferred to the Department of Innovation  
5 and Technology by Executive Order No. 2016-1, or both, and  
6 was entitled to eligible creditable service for services  
7 immediately preceding the transfer.

8           (d) A security employee of the Department of Corrections  
9 or the Department of Juvenile Justice, a security employee of  
10 the Department of Human Services who is not a mental health  
11 police officer, and a security employee of the Department of  
12 Innovation and Technology shall not be eligible for the  
13 alternative retirement annuity provided by this Section unless  
14 he or she meets the following minimum age and service  
15 requirements at the time of retirement:

16           (i) 25 years of eligible creditable service and age  
17 55; or

18           (ii) beginning January 1, 1987, 25 years of eligible  
19 creditable service and age 54, or 24 years of eligible  
20 creditable service and age 55; or

21           (iii) beginning January 1, 1988, 25 years of eligible  
22 creditable service and age 53, or 23 years of eligible  
23 creditable service and age 55; or

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

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

4           (vi) beginning January 1, 1991, 25 years of eligible  
5           creditable service and age 50, or 20 years of eligible  
6           creditable service and age 55.

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

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

24          (f) For purposes of calculating retirement annuities under  
25          this Section, periods of service rendered after December 31,  
26          1968 and before October 1, 1975 as a covered employee in the

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

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

24 (g) A State policeman may elect, not later than January 1,  
25 1990, to establish eligible creditable service for up to 10  
26 years of his service as a policeman under Article 3, by filing

1 a written election with the Board, accompanied by payment of  
2 an amount to be determined by the Board, equal to (i) the  
3 difference between the amount of employee and employer  
4 contributions transferred to the System under Section 3-110.5,  
5 and the amounts that would have been contributed had such  
6 contributions been made at the rates applicable to State  
7 policemen, plus (ii) interest thereon at the effective rate  
8 for each year, compounded annually, from the date of service  
9 to the date of payment.

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

23 (h) Subject to the limitation in subsection (i), a State  
24 policeman or investigator for the Secretary of State may elect  
25 to establish eligible creditable service for up to 12 years of  
26 his service as a policeman under Article 5, by filing a written

1 election with the Board on or before January 31, 1992, and  
2 paying to the System by January 31, 1994 an amount to be  
3 determined by the Board, equal to (i) the difference between  
4 the amount of employee and employer contributions transferred  
5 to the System under Section 5-236, and the amounts that would  
6 have been contributed had such contributions been made at the  
7 rates applicable to State policemen, plus (ii) interest  
8 thereon at the effective rate for each year, compounded  
9 annually, from the date of service to the date of payment.

10 Subject to the limitation in subsection (i), a State  
11 policeman, conservation police officer, or investigator for  
12 the Secretary of State may elect to establish eligible  
13 creditable service for up to 10 years of service as a sheriff's  
14 law enforcement employee under Article 7, by filing a written  
15 election with the Board on or before January 31, 1993, and  
16 paying to the System by January 31, 1994 an amount to be  
17 determined by the Board, equal to (i) the difference between  
18 the amount of employee and employer contributions transferred  
19 to the System under Section 7-139.7, and the amounts that  
20 would have been contributed had such contributions been made  
21 at the rates applicable to State policemen, plus (ii) interest  
22 thereon at the effective rate for each year, compounded  
23 annually, from the date of service to the date of payment.

24 Subject to the limitation in subsection (i), a State  
25 policeman, conservation police officer, or investigator for  
26 the Secretary of State may elect to establish eligible

1 creditable service for up to 5 years of service as a police  
2 officer under Article 3, a policeman under Article 5, a  
3 sheriff's law enforcement employee under Article 7, a member  
4 of the county police department under Article 9, or a police  
5 officer under Article 15 by filing a written election with the  
6 Board and paying to the System an amount to be determined by  
7 the Board, equal to (i) the difference between the amount of  
8 employee and employer contributions transferred to the System  
9 under Section 3-110.6, 5-236, 7-139.8, 9-121.10, or 15-134.4  
10 and the amounts that would have been contributed had such  
11 contributions been made at the rates applicable to State  
12 policemen, plus (ii) interest thereon at the effective rate  
13 for each year, compounded annually, from the date of service  
14 to the date of payment.

15 Subject to the limitation in subsection (i), an  
16 investigator for the Office of the Attorney General, or an  
17 investigator for the Department of Revenue, may elect to  
18 establish eligible creditable service for up to 5 years of  
19 service as a police officer under Article 3, a policeman under  
20 Article 5, a sheriff's law enforcement employee under Article  
21 7, or a member of the county police department under Article 9  
22 by filing a written election with the Board within 6 months  
23 after August 25, 2009 (the effective date of Public Act  
24 96-745) and paying to the System an amount to be determined by  
25 the Board, equal to (i) the difference between the amount of  
26 employee and employer contributions transferred to the System

1 under Section 3-110.6, 5-236, 7-139.8, or 9-121.10 and the  
2 amounts that would have been contributed had such  
3 contributions been made at the rates applicable to State  
4 policemen, plus (ii) interest thereon at the actuarially  
5 assumed rate for each year, compounded annually, from the date  
6 of service to the date of payment.

7 Subject to the limitation in subsection (i), a State  
8 policeman, conservation police officer, investigator for the  
9 Office of the Attorney General, an investigator for the  
10 Department of Revenue, or investigator for the Secretary of  
11 State may elect to establish eligible creditable service for  
12 up to 5 years of service as a person employed by a  
13 participating municipality to perform police duties, or law  
14 enforcement officer employed on a full-time basis by a forest  
15 preserve district under Article 7, a county corrections  
16 officer, or a court services officer under Article 9, by  
17 filing a written election with the Board within 6 months after  
18 August 25, 2009 (the effective date of Public Act 96-745) and  
19 paying to the System an amount to be determined by the Board,  
20 equal to (i) the difference between the amount of employee and  
21 employer contributions transferred to the System under  
22 Sections 7-139.8 and 9-121.10 and the amounts that would have  
23 been contributed had such contributions been made at the rates  
24 applicable to State policemen, plus (ii) interest thereon at  
25 the actuarially assumed rate for each year, compounded  
26 annually, from the date of service to the date of payment.

1           Subject to the limitation in subsection (i), a State  
2 policeman, arson investigator, or Commerce Commission police  
3 officer may elect to establish eligible creditable service for  
4 up to 5 years of service as a person employed by a  
5 participating municipality to perform police duties under  
6 Article 7, a county corrections officer, a court services  
7 officer under Article 9, or a firefighter under Article 4 by  
8 filing a written election with the Board within 6 months after  
9 July 30, 2021 (the effective date of Public Act 102-210) and  
10 paying to the System an amount to be determined by the Board  
11 equal to (i) the difference between the amount of employee and  
12 employer contributions transferred to the System under  
13 Sections 4-108.8, 7-139.8, and 9-121.10 and the amounts that  
14 would have been contributed had such contributions been made  
15 at the rates applicable to State policemen, plus (ii) interest  
16 thereon at the actuarially assumed rate for each year,  
17 compounded annually, from the date of service to the date of  
18 payment.

19           Subject to the limitation in subsection (i), a  
20 conservation police officer may elect to establish eligible  
21 creditable service for up to 5 years of service as a person  
22 employed by a participating municipality to perform police  
23 duties under Article 7, a county corrections officer, or a  
24 court services officer under Article 9 by filing a written  
25 election with the Board within 6 months after July 30, 2021  
26 (the effective date of Public Act 102-210) and paying to the

1 System an amount to be determined by the Board equal to (i) the  
2 difference between the amount of employee and employer  
3 contributions transferred to the System under Sections 7-139.8  
4 and 9-121.10 and the amounts that would have been contributed  
5 had such contributions been made at the rates applicable to  
6 State policemen, plus (ii) interest thereon at the actuarially  
7 assumed rate for each year, compounded annually, from the date  
8 of service to the date of payment.

9 Notwithstanding the limitation in subsection (i), a State  
10 policeman or conservation police officer may elect to convert  
11 service credit earned under this Article to eligible  
12 creditable service, as defined by this Section, by filing a  
13 written election with the board within 6 months after July 30,  
14 2021 (the effective date of Public Act 102-210) and paying to  
15 the System an amount to be determined by the Board equal to (i)  
16 the difference between the amount of employee contributions  
17 originally paid for that service and the amounts that would  
18 have been contributed had such contributions been made at the  
19 rates applicable to State policemen, plus (ii) the difference  
20 between the employer's normal cost of the credit prior to the  
21 conversion authorized by Public Act 102-210 and the employer's  
22 normal cost of the credit converted in accordance with Public  
23 Act 102-210, plus (iii) interest thereon at the actuarially  
24 assumed rate for each year, compounded annually, from the date  
25 of service to the date of payment.

26 (i) The total amount of eligible creditable service

1 established by any person under subsections (g), (h), (j),  
2 (k), (l), (l-5), and (o) of this Section shall not exceed 12  
3 years.

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

19 (k) Subject to the limitation in subsection (i) of this  
20 Section, an alternative formula employee may elect to  
21 establish eligible creditable service for periods spent as a  
22 full-time law enforcement officer or full-time corrections  
23 officer employed by the federal government or by a state or  
24 local government located outside of Illinois, for which credit  
25 is not held in any other public employee pension fund or  
26 retirement system. To obtain this credit, the applicant must

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

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

1 for each year, compounded annually, from the date of service  
2 to the date of payment.

3 (1-5) Subject to the limitation in subsection (i) of this  
4 Section, a State policeman may elect to establish eligible  
5 creditable service for up to 5 years of service as a full-time  
6 law enforcement officer employed by the federal government or  
7 by a state or local government located outside of Illinois for  
8 which credit is not held in any other public employee pension  
9 fund or retirement system. To obtain this credit, the  
10 applicant must file a written application with the Board no  
11 later than 3 years after January 1, 2020 (the effective date of  
12 Public Act 101-610), accompanied by evidence of eligibility  
13 acceptable to the Board and payment of an amount to be  
14 determined by the Board, equal to (1) employee contributions  
15 for the credit being established, based upon the applicant's  
16 salary on the first day as an alternative formula employee  
17 after the employment for which credit is being established and  
18 the rates then applicable to alternative formula employees,  
19 plus (2) an amount determined by the Board to be the employer's  
20 normal cost of the benefits accrued for the credit being  
21 established, plus (3) regular interest on the amounts in items  
22 (1) and (2) from the first day as an alternative formula  
23 employee after the employment for which credit is being  
24 established to the date of payment.

25 (m) The amendatory changes to this Section made by Public  
26 Act 94-696 apply only to: (1) security employees of the

1 Department of Juvenile Justice employed by the Department of  
2 Corrections before June 1, 2006 (the effective date of Public  
3 Act 94-696) and transferred to the Department of Juvenile  
4 Justice by Public Act 94-696; and (2) persons employed by the  
5 Department of Juvenile Justice on or after June 1, 2006 (the  
6 effective date of Public Act 94-696) who are required by  
7 subsection (b) of Section 3-2.5-15 of the Unified Code of  
8 Corrections to have any bachelor's or advanced degree from an  
9 accredited college or university or, in the case of persons  
10 who provide vocational training, who are required to have  
11 adequate knowledge in the skill for which they are providing  
12 the vocational training.

13 (n) A person employed in a position under subsection (b)  
14 of this Section who has purchased service credit under  
15 subsection (j) of Section 14-104 or subsection (b) of Section  
16 14-105 in any other capacity under this Article may convert up  
17 to 5 years of that service credit into service credit covered  
18 under this Section by paying to the Fund an amount equal to (1)  
19 the additional employee contribution required under Section  
20 14-133, plus (2) the additional employer contribution required  
21 under Section 14-131, plus (3) interest on items (1) and (2) at  
22 the actuarially assumed rate from the date of the service to  
23 the date of payment.

24 (o) Subject to the limitation in subsection (i), a  
25 conservation police officer, investigator for the Secretary of  
26 State, Commerce Commission police officer, investigator for

1 the Department of Revenue or the Illinois Gaming Board, or  
2 arson investigator subject to subsection (g) of Section 1-160  
3 may elect to convert up to 8 years of service credit  
4 established before January 1, 2020 (the effective date of  
5 Public Act 101-610) as a conservation police officer,  
6 investigator for the Secretary of State, Commerce Commission  
7 police officer, investigator for the Department of Revenue or  
8 the Illinois Gaming Board, or arson investigator under this  
9 Article into eligible creditable service by filing a written  
10 election with the Board no later than one year after January 1,  
11 2020 (the effective date of Public Act 101-610), accompanied  
12 by payment of an amount to be determined by the Board equal to  
13 (i) the difference between the amount of the employee  
14 contributions actually paid for that service and the amount of  
15 the employee contributions that would have been paid had the  
16 employee contributions been made as a noncovered employee  
17 serving in a position in which eligible creditable service, as  
18 defined in this Section, may be earned, plus (ii) interest  
19 thereon at the effective rate for each year, compounded  
20 annually, from the date of service to the date of payment.

21 (Source: P.A. 102-210, eff. 7-30-21; 102-538, eff. 8-20-21;  
22 102-813, eff. 5-13-22; 103-34, eff. 1-1-24.)

23 (Text of Section from P.A. 102-856 and 103-34)

24 Sec. 14-110. Alternative retirement annuity.

25 (a) Any member who has withdrawn from service with not

1 less than 20 years of eligible creditable service and has  
2 attained age 55, and any member who has withdrawn from service  
3 with not less than 25 years of eligible creditable service and  
4 has attained age 50, regardless of whether the attainment of  
5 either of the specified ages occurs while the member is still  
6 in service, shall be entitled to receive at the option of the  
7 member, in lieu of the regular or minimum retirement annuity,  
8 a retirement annuity computed as follows:

9 (i) for periods of service as a noncovered employee:  
10 if retirement occurs on or after January 1, 2001, 3% of  
11 final average compensation for each year of creditable  
12 service; if retirement occurs before January 1, 2001, 2  
13 1/4% of final average compensation for each of the first  
14 10 years of creditable service, 2 1/2% for each year above  
15 10 years to and including 20 years of creditable service,  
16 and 2 3/4% for each year of creditable service above 20  
17 years; and

18 (ii) for periods of eligible creditable service as a  
19 covered employee: if retirement occurs on or after January  
20 1, 2001, 2.5% of final average compensation for each year  
21 of creditable service; if retirement occurs before January  
22 1, 2001, 1.67% of final average compensation for each of  
23 the first 10 years of such service, 1.90% for each of the  
24 next 10 years of such service, 2.10% for each year of such  
25 service in excess of 20 but not exceeding 30, and 2.30% for  
26 each year in excess of 30.

1           Such annuity shall be subject to a maximum of 75% of final  
2 average compensation if retirement occurs before January 1,  
3 2001 or to a maximum of 80% of final average compensation if  
4 retirement occurs on or after January 1, 2001.

5           These rates shall not be applicable to any service  
6 performed by a member as a covered employee which is not  
7 eligible creditable service. Service as a covered employee  
8 which is not eligible creditable service shall be subject to  
9 the rates and provisions of Section 14-108.

10           (a-5) A member who is eligible to receive an alternative  
11 retirement annuity under this Section may elect to receive an  
12 estimated payment that shall commence no later than 30 days  
13 after the later of either the member's last day of employment  
14 or 30 days after the member files for the retirement benefit  
15 with the System. The estimated payment shall be the best  
16 estimate by the System of the total monthly amount due to the  
17 member based on the information that the System possesses at  
18 the time of the estimate. If the amount of the estimate is  
19 greater or less than the actual amount of the monthly annuity,  
20 the System shall pay or recover the difference within 6 months  
21 after the start of the monthly annuity.

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

25           (1) State policeman;

26           (2) fire fighter in the fire protection service of a

1 department;

2 (3) air pilot;

3 (4) special agent;

4 (5) investigator for the Secretary of State;

5 (6) conservation police officer;

6 (7) investigator for the Department of Revenue or the  
7 Illinois Gaming Board;

8 (8) security employee of the Department of Human  
9 Services;

10 (9) Central Management Services security police  
11 officer;

12 (10) security employee of the Department of  
13 Corrections or the Department of Juvenile Justice;

14 (11) dangerous drugs investigator;

15 (12) investigator for the Illinois State Police;

16 (13) investigator for the Office of the Attorney  
17 General;

18 (14) controlled substance inspector;

19 (15) investigator for the Office of the State's  
20 Attorneys Appellate Prosecutor;

21 (16) Commerce Commission police officer;

22 (17) arson investigator;

23 (18) State highway maintenance worker;

24 (19) security employee of the Department of Innovation  
25 and Technology; or

26 (20) transferred employee.

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

11           A person under paragraph (20) is entitled to eligible  
12 creditable service for service credit earned under this  
13 Article on and after his or her transfer by Executive Order No.  
14 2003-10, Executive Order No. 2004-2, or Executive Order No.  
15 2016-1.

16           (c) For the purposes of this Section:

17           (1) The term "State policeman" includes any title or  
18 position in the Illinois State Police that is held by an  
19 individual employed under the Illinois State Police Act.

20           (2) The term "fire fighter in the fire protection  
21 service of a department" includes all officers in such  
22 fire protection service including fire chiefs and  
23 assistant fire chiefs.

24           (3) The term "air pilot" includes any employee whose  
25 official job description on file in the Department of  
26 Central Management Services, or in the department by which

1 he is employed if that department is not covered by the  
2 Personnel Code, states that his principal duty is the  
3 operation of aircraft, and who possesses a pilot's  
4 license; however, the change in this definition made by  
5 Public Act 83-842 shall not operate to exclude any  
6 noncovered employee who was an "air pilot" for the  
7 purposes of this Section on January 1, 1984.

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

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

1           A person who became employed as an investigator for  
2           the Secretary of State between January 1, 1967 and  
3           December 31, 1975, and who has served as such until  
4           attainment of age 60, either continuously or with a single  
5           break in service of not more than 3 years duration, which  
6           break terminated before January 1, 1976, shall be entitled  
7           to have his retirement annuity calculated in accordance  
8           with subsection (a), notwithstanding that he has less than  
9           20 years of credit for such service.

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

19           (7) The term "investigator for the Department of  
20           Revenue" means any person employed by the Department of  
21           Revenue and vested with such investigative duties as  
22           render him ineligible for coverage under the Social  
23           Security Act by reason of Sections 218(d)(5)(A),  
24           218(d)(8)(D) and 218(1)(1) of that Act.

25           The term "investigator for the Illinois Gaming Board"  
26           means any person employed as such by the Illinois Gaming

1 Board and vested with such peace officer duties as render  
2 the person 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 of  
6 Human Services" means any person employed by the  
7 Department of Human Services who (i) is employed at the  
8 Chester Mental Health Center and has daily contact with  
9 the residents thereof, (ii) is employed within a security  
10 unit at a facility operated by the Department and has  
11 daily contact with the residents of the security unit,  
12 (iii) is employed at a facility operated by the Department  
13 that includes a security unit and is regularly scheduled  
14 to work at least 50% of his or her working hours within  
15 that security unit, or (iv) is a mental health police  
16 officer. "Mental health police officer" means any person  
17 employed by the Department of Human Services in a position  
18 pertaining to the Department's mental health and  
19 developmental disabilities functions who is vested with  
20 such law enforcement duties as render the person  
21 ineligible for coverage under the Social Security Act by  
22 reason of Sections 218(d)(5)(A), 218(d)(8)(D) and  
23 218(1)(1) of that Act. "Security unit" means that portion  
24 of a facility that is devoted to the care, containment,  
25 and treatment of persons committed to the Department of  
26 Human Services as sexually violent persons, persons unfit

1 to stand trial, or persons not guilty by reason of  
2 insanity. With respect to past employment, references to  
3 the Department of Human Services include its predecessor,  
4 the Department of Mental Health and Developmental  
5 Disabilities.

6 The changes made to this subdivision (c)(8) by Public  
7 Act 92-14 apply to persons who retire on or after January  
8 1, 2001, notwithstanding Section 1-103.1.

9 (9) "Central Management Services security police  
10 officer" means any person employed by the Department of  
11 Central Management Services who is vested with such law  
12 enforcement duties as render him ineligible for coverage  
13 under the Social Security Act by reason of Sections  
14 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act.

15 (10) For a member who first became an employee under  
16 this Article before July 1, 2005, the term "security  
17 employee of the Department of Corrections or the  
18 Department of Juvenile Justice" means any employee of the  
19 Department of Corrections or the Department of Juvenile  
20 Justice or the former Department of Personnel, and any  
21 member or employee of the Prisoner Review Board, who has  
22 daily contact with inmates or youth by working within a  
23 correctional facility or Juvenile facility operated by the  
24 Department of Juvenile Justice or who is a parole officer  
25 or an employee who has direct contact with committed  
26 persons in the performance of his or her job duties. For a

1 member who first becomes an employee under this Article on  
2 or after July 1, 2005, the term means an employee of the  
3 Department of Corrections or the Department of Juvenile  
4 Justice who is any of the following: (i) officially  
5 headquartered at a correctional facility or Juvenile  
6 facility operated by the Department of Juvenile Justice,  
7 (ii) a parole officer, (iii) a member of the apprehension  
8 unit, (iv) a member of the intelligence unit, (v) a member  
9 of the sort team, or (vi) an investigator.

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

13 (12) The term "investigator for the Illinois State  
14 Police" means a person employed by the Illinois State  
15 Police who is vested under Section 4 of the Narcotic  
16 Control Division Abolition Act with such law enforcement  
17 powers as render him ineligible for coverage under the  
18 Social Security Act by reason of Sections 218(d)(5)(A),  
19 218(d)(8)(D) and 218(1)(1) of that Act.

20 (13) "Investigator for the Office of the Attorney  
21 General" means any person who is employed as such by the  
22 Office of the Attorney General and is vested with such  
23 investigative duties as render him ineligible for coverage  
24 under the Social Security Act by reason of Sections  
25 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act. For  
26 the period before January 1, 1989, the term includes all

1 persons who were employed as investigators by the Office  
2 of the Attorney General, without regard to social security  
3 status.

4 (14) "Controlled substance inspector" means any person  
5 who is employed as such by the Department of Professional  
6 Regulation and is vested with such law enforcement duties  
7 as render him 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. The term  
10 "controlled substance inspector" includes the Program  
11 Executive of Enforcement and the Assistant Program  
12 Executive of Enforcement.

13 (15) The term "investigator for the Office of the  
14 State's Attorneys Appellate Prosecutor" means a person  
15 employed in that capacity on a full-time basis under the  
16 authority of Section 7.06 of the State's Attorneys  
17 Appellate Prosecutor's Act.

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

24 (17) "Arson investigator" means any person who is  
25 employed as such by the Office of the State Fire Marshal  
26 and is vested with such law enforcement duties as render

1 the person ineligible for coverage under the Social  
2 Security Act by reason of Sections 218(d)(5)(A),  
3 218(d)(8)(D), and 218(1)(1) of that Act. A person who was  
4 employed as an arson investigator on January 1, 1995 and  
5 is no longer in service but not yet receiving a retirement  
6 annuity may convert his or her creditable service for  
7 employment as an arson investigator into eligible  
8 creditable service by paying to the System the difference  
9 between the employee contributions actually paid for that  
10 service and the amounts that would have been contributed  
11 if the applicant were contributing at the rate applicable  
12 to persons with the same social security status earning  
13 eligible creditable service on the date of application.

14 (18) The term "State highway maintenance worker" means  
15 a person who is either of the following:

16 (i) A person employed on a full-time basis by the  
17 Illinois Department of Transportation in the position  
18 of highway maintainer, highway maintenance lead  
19 worker, highway maintenance lead/lead worker, heavy  
20 construction equipment operator, power shovel  
21 operator, or bridge mechanic; and whose principal  
22 responsibility is to perform, on the roadway, the  
23 actual maintenance necessary to keep the highways that  
24 form a part of the State highway system in serviceable  
25 condition for vehicular traffic.

26 (ii) A person employed on a full-time basis by the

1 Illinois State Toll Highway Authority in the position  
2 of equipment operator/laborer H-4, equipment  
3 operator/laborer H-6, welder H-4, welder H-6,  
4 mechanical/electrical H-4, mechanical/electrical H-6,  
5 water/sewer H-4, water/sewer H-6, sign maker/hanger  
6 H-4, sign maker/hanger H-6, roadway lighting H-4,  
7 roadway lighting H-6, structural H-4, structural H-6,  
8 painter H-4, or painter H-6; and whose principal  
9 responsibility is to perform, on the roadway, the  
10 actual maintenance necessary to keep the Authority's  
11 tollways in serviceable condition for vehicular  
12 traffic.

13 (19) The term "security employee of the Department of  
14 Innovation and Technology" means a person who was a  
15 security employee of the Department of Corrections or the  
16 Department of Juvenile Justice, was transferred to the  
17 Department of Innovation and Technology pursuant to  
18 Executive Order 2016-01, and continues to perform similar  
19 job functions under that Department.

20 (20) "Transferred employee" means an employee who was  
21 transferred to the Department of Central Management  
22 Services by Executive Order No. 2003-10 or Executive Order  
23 No. 2004-2 or transferred to the Department of Innovation  
24 and Technology by Executive Order No. 2016-1, or both, and  
25 was entitled to eligible creditable service for services  
26 immediately preceding the transfer.

1 (d) A security employee of the Department of Corrections  
2 or the Department of Juvenile Justice, a security employee of  
3 the Department of Human Services who is not a mental health  
4 police officer, and a security employee of the Department of  
5 Innovation and Technology shall not be eligible for the  
6 alternative retirement annuity provided by this Section unless  
7 he or she meets the following minimum age and service  
8 requirements at the time of retirement:

9 (i) 25 years of eligible creditable service and age  
10 55; or

11 (ii) beginning January 1, 1987, 25 years of eligible  
12 creditable service and age 54, or 24 years of eligible  
13 creditable service and age 55; or

14 (iii) beginning January 1, 1988, 25 years of eligible  
15 creditable service and age 53, or 23 years of eligible  
16 creditable service and age 55; or

17 (iv) beginning January 1, 1989, 25 years of eligible  
18 creditable service and age 52, or 22 years of eligible  
19 creditable service and age 55; or

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

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

26 Persons who have service credit under Article 16 of this

1 Code for service as a security employee of the Department of  
2 Corrections or the Department of Juvenile Justice, or the  
3 Department of Human Services in a position requiring  
4 certification as a teacher may count such service toward  
5 establishing their eligibility under the service requirements  
6 of this Section; but such service may be used only for  
7 establishing such eligibility, and not for the purpose of  
8 increasing or calculating any benefit.

9 (e) If a member enters military service while working in a  
10 position in which eligible creditable service may be earned,  
11 and returns to State service in the same or another such  
12 position, and fulfills in all other respects the conditions  
13 prescribed in this Article for credit for military service,  
14 such military service shall be credited as eligible creditable  
15 service for the purposes of the retirement annuity prescribed  
16 in this Section.

17 (f) For purposes of calculating retirement annuities under  
18 this Section, periods of service rendered after December 31,  
19 1968 and before October 1, 1975 as a covered employee in the  
20 position of special agent, conservation police officer, mental  
21 health police officer, or investigator for the Secretary of  
22 State, shall be deemed to have been service as a noncovered  
23 employee, provided that the employee pays to the System prior  
24 to retirement an amount equal to (1) the difference between  
25 the employee contributions that would have been required for  
26 such service as a noncovered employee, and the amount of

1 employee contributions actually paid, plus (2) if payment is  
2 made after July 31, 1987, regular interest on the amount  
3 specified in item (1) from the date of service to the date of  
4 payment.

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

17 (g) A State policeman may elect, not later than January 1,  
18 1990, to establish eligible creditable service for up to 10  
19 years of his service as a policeman under Article 3, by filing  
20 a written election with the Board, accompanied by payment of  
21 an amount to be determined by the Board, equal to (i) the  
22 difference between the amount of employee and employer  
23 contributions transferred to the System under Section 3-110.5,  
24 and the amounts that would have been contributed had such  
25 contributions been made at the rates applicable to State  
26 policemen, plus (ii) interest thereon at the effective rate

1 for each year, compounded annually, from the date of service  
2 to the date of payment.

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

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

1 thereon at the effective rate for each year, compounded  
2 annually, from the date of service to the date of payment.

3 Subject to the limitation in subsection (i), a State  
4 policeman, conservation police officer, or investigator for  
5 the Secretary of State may elect to establish eligible  
6 creditable service for up to 10 years of service as a sheriff's  
7 law enforcement employee under Article 7, by filing a written  
8 election with the Board on or before January 31, 1993, and  
9 paying to the System by January 31, 1994 an amount to be  
10 determined by the Board, equal to (i) the difference between  
11 the amount of employee and employer contributions transferred  
12 to the System under Section 7-139.7, and the amounts that  
13 would have been contributed had such contributions been made  
14 at the rates applicable to State policemen, plus (ii) interest  
15 thereon at the effective rate for each year, compounded  
16 annually, from the date of service to the date of payment.

17 Subject to the limitation in subsection (i), a State  
18 policeman, conservation police officer, or investigator for  
19 the Secretary of State may elect to establish eligible  
20 creditable service for up to 5 years of service as a police  
21 officer under Article 3, a policeman under Article 5, a  
22 sheriff's law enforcement employee under Article 7, a member  
23 of the county police department under Article 9, or a police  
24 officer under Article 15 by filing a written election with the  
25 Board and paying to the System an amount to be determined by  
26 the Board, equal to (i) the difference between the amount of

1 employee and employer contributions transferred to the System  
2 under Section 3-110.6, 5-236, 7-139.8, 9-121.10, or 15-134.4  
3 and the amounts that would have been contributed had such  
4 contributions been made at the rates applicable to State  
5 policemen, plus (ii) interest thereon at the effective rate  
6 for each year, compounded annually, from the date of service  
7 to the date of payment.

8 Subject to the limitation in subsection (i), an  
9 investigator for the Office of the Attorney General, or an  
10 investigator for the Department of Revenue, may elect to  
11 establish eligible creditable service for up to 5 years of  
12 service as a police officer under Article 3, a policeman under  
13 Article 5, a sheriff's law enforcement employee under Article  
14 7, or a member of the county police department under Article 9  
15 by filing a written election with the Board within 6 months  
16 after August 25, 2009 (the effective date of Public Act  
17 96-745) and paying to the System an amount to be determined by  
18 the Board, equal to (i) the difference between the amount of  
19 employee and employer contributions transferred to the System  
20 under Section 3-110.6, 5-236, 7-139.8, or 9-121.10 and the  
21 amounts that would have been contributed had such  
22 contributions been made at the rates applicable to State  
23 policemen, plus (ii) interest thereon at the actuarially  
24 assumed rate for each year, compounded annually, from the date  
25 of service to the date of payment.

26 Subject to the limitation in subsection (i), a State

1 policeman, conservation police officer, investigator for the  
2 Office of the Attorney General, an investigator for the  
3 Department of Revenue, or investigator for the Secretary of  
4 State may elect to establish eligible creditable service for  
5 up to 5 years of service as a person employed by a  
6 participating municipality to perform police duties, or law  
7 enforcement officer employed on a full-time basis by a forest  
8 preserve district under Article 7, a county corrections  
9 officer, or a court services officer under Article 9, by  
10 filing a written election with the Board within 6 months after  
11 August 25, 2009 (the effective date of Public Act 96-745) and  
12 paying to the System an amount to be determined by the Board,  
13 equal to (i) the difference between the amount of employee and  
14 employer contributions transferred to the System under  
15 Sections 7-139.8 and 9-121.10 and the amounts that would have  
16 been contributed had such contributions been made at the rates  
17 applicable to State policemen, plus (ii) interest thereon at  
18 the actuarially assumed rate for each year, compounded  
19 annually, from the date of service to the date of payment.

20 Subject to the limitation in subsection (i), a State  
21 policeman, arson investigator, or Commerce Commission police  
22 officer may elect to establish eligible creditable service for  
23 up to 5 years of service as a person employed by a  
24 participating municipality to perform police duties under  
25 Article 7, a county corrections officer, a court services  
26 officer under Article 9, or a firefighter under Article 4 by

1 filing a written election with the Board within 6 months after  
2 July 30, 2021 (the effective date of Public Act 102-210) and  
3 paying to the System an amount to be determined by the Board  
4 equal to (i) the difference between the amount of employee and  
5 employer contributions transferred to the System under  
6 Sections 4-108.8, 7-139.8, and 9-121.10 and the amounts that  
7 would have been contributed had such contributions been made  
8 at the rates applicable to State policemen, plus (ii) interest  
9 thereon at the actuarially assumed rate for each year,  
10 compounded annually, from the date of service to the date of  
11 payment.

12 Subject to the limitation in subsection (i), a  
13 conservation police officer may elect to establish eligible  
14 creditable service for up to 5 years of service as a person  
15 employed by a participating municipality to perform police  
16 duties under Article 7, a county corrections officer, or a  
17 court services officer under Article 9 by filing a written  
18 election with the Board within 6 months after July 30, 2021  
19 (the effective date of Public Act 102-210) and paying to the  
20 System an amount to be determined by the Board equal to (i) the  
21 difference between the amount of employee and employer  
22 contributions transferred to the System under Sections 7-139.8  
23 and 9-121.10 and the amounts that would have been contributed  
24 had such contributions been made at the rates applicable to  
25 State policemen, plus (ii) interest thereon at the actuarially  
26 assumed rate for each year, compounded annually, from the date

1 of service to the date of payment.

2 Subject to the limitation in subsection (i), an  
3 investigator for the Department of Revenue, investigator for  
4 the Illinois Gaming Board, investigator for the Secretary of  
5 State, or arson investigator may elect to establish eligible  
6 creditable service for up to 5 years of service as a person  
7 employed by a participating municipality to perform police  
8 duties under Article 7, a county corrections officer, a court  
9 services officer under Article 9, or a firefighter under  
10 Article 4 by filing a written election with the Board within 6  
11 months after the effective date of this amendatory Act of the  
12 102nd General Assembly and paying to the System an amount to be  
13 determined by the Board equal to (i) the difference between  
14 the amount of employee and employer contributions transferred  
15 to the System under Sections 4-108.8, 7-139.8, and 9-121.10  
16 and the amounts that would have been contributed had such  
17 contributions been made at the rates applicable to State  
18 policemen, plus (ii) interest thereon at the actuarially  
19 assumed rate for each year, compounded annually, from the date  
20 of service to the date of payment.

21 Notwithstanding the limitation in subsection (i), a State  
22 policeman or conservation police officer may elect to convert  
23 service credit earned under this Article to eligible  
24 creditable service, as defined by this Section, by filing a  
25 written election with the board within 6 months after July 30,  
26 2021 (the effective date of Public Act 102-210) and paying to

1 the System an amount to be determined by the Board equal to (i)  
2 the difference between the amount of employee contributions  
3 originally paid for that service and the amounts that would  
4 have been contributed had such contributions been made at the  
5 rates applicable to State policemen, plus (ii) the difference  
6 between the employer's normal cost of the credit prior to the  
7 conversion authorized by Public Act 102-210 and the employer's  
8 normal cost of the credit converted in accordance with Public  
9 Act 102-210, plus (iii) interest thereon at the actuarially  
10 assumed rate for each year, compounded annually, from the date  
11 of service to the date of payment.

12 Notwithstanding the limitation in subsection (i), an  
13 investigator for the Department of Revenue, investigator for  
14 the Illinois Gaming Board, investigator for the Secretary of  
15 State, or arson investigator may elect to convert service  
16 credit earned under this Article to eligible creditable  
17 service, as defined by this Section, by filing a written  
18 election with the Board within 6 months after the effective  
19 date of this amendatory Act of the 102nd General Assembly and  
20 paying to the System an amount to be determined by the Board  
21 equal to (i) the difference between the amount of employee  
22 contributions originally paid for that service and the amounts  
23 that would have been contributed had such contributions been  
24 made at the rates applicable to investigators for the  
25 Department of Revenue, investigators for the Illinois Gaming  
26 Board, investigators for the Secretary of State, or arson

1 investigators, plus (ii) the difference between the employer's  
2 normal cost of the credit prior to the conversion authorized  
3 by this amendatory Act of the 102nd General Assembly and the  
4 employer's normal cost of the credit converted in accordance  
5 with this amendatory Act of the 102nd General Assembly, plus  
6 (iii) interest thereon at the actuarially assumed rate for  
7 each year, compounded annually, from the date of service to  
8 the date of payment.

9 (i) The total amount of eligible creditable service  
10 established by any person under subsections (g), (h), (j),  
11 (k), (l), (l-5), and (o) of this Section shall not exceed 12  
12 years.

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

1 the date of payment.

2 (k) Subject to the limitation in subsection (i) of this  
3 Section, an alternative formula employee may elect to  
4 establish eligible creditable service for periods spent as a  
5 full-time law enforcement officer or full-time corrections  
6 officer employed by the federal government or by a state or  
7 local government located outside of Illinois, for which credit  
8 is not held in any other public employee pension fund or  
9 retirement system. To obtain this credit, the applicant must  
10 file a written application with the Board by March 31, 1998,  
11 accompanied by evidence of eligibility acceptable to the Board  
12 and payment of an amount to be determined by the Board, equal  
13 to (1) employee contributions for the credit being  
14 established, based upon the applicant's salary on the first  
15 day as an alternative formula employee after the employment  
16 for which credit is being established and the rates then  
17 applicable to alternative formula employees, plus (2) an  
18 amount determined by the Board to be the employer's normal  
19 cost of the benefits accrued for the credit being established,  
20 plus (3) regular interest on the amounts in items (1) and (2)  
21 from the first day as an alternative formula employee after  
22 the employment for which credit is being established to the  
23 date of payment.

24 (l) Subject to the limitation in subsection (i), a  
25 security employee of the Department of Corrections may elect,  
26 not later than July 1, 1998, to establish eligible creditable

1 service for up to 10 years of his or her service as a policeman  
2 under Article 3, 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 3-110.5, and the amounts that would have been  
7 contributed had such contributions been made at the rates  
8 applicable to security employees of the Department of  
9 Corrections, plus (ii) interest thereon at the effective rate  
10 for each year, compounded annually, from the date of service  
11 to the date of payment.

12 (1-5) Subject to the limitation in subsection (i) of this  
13 Section, a State policeman may elect to establish eligible  
14 creditable service for up to 5 years of service as a full-time  
15 law enforcement officer employed by the federal government or  
16 by a state or local government located outside of Illinois for  
17 which credit is not held in any other public employee pension  
18 fund or retirement system. To obtain this credit, the  
19 applicant must file a written application with the Board no  
20 later than 3 years after January 1, 2020 (the effective date of  
21 Public Act 101-610), accompanied by evidence of eligibility  
22 acceptable to the Board and payment of an amount to be  
23 determined by the Board, equal to (1) employee contributions  
24 for the credit being established, based upon the applicant's  
25 salary on the first day as an alternative formula employee  
26 after the employment for which credit is being established and

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

8 (m) The amendatory changes to this Section made by Public  
9 Act 94-696 apply only to: (1) security employees of the  
10 Department of Juvenile Justice employed by the Department of  
11 Corrections before June 1, 2006 (the effective date of Public  
12 Act 94-696) and transferred to the Department of Juvenile  
13 Justice by Public Act 94-696; and (2) persons employed by the  
14 Department of Juvenile Justice on or after June 1, 2006 (the  
15 effective date of Public Act 94-696) who are required by  
16 subsection (b) of Section 3-2.5-15 of the Unified Code of  
17 Corrections to have any bachelor's or advanced degree from an  
18 accredited college or university or, in the case of persons  
19 who provide vocational training, who are required to have  
20 adequate knowledge in the skill for which they are providing  
21 the vocational training.

22 (n) A person employed in a position under subsection (b)  
23 of this Section who has purchased service credit under  
24 subsection (j) of Section 14-104 or subsection (b) of Section  
25 14-105 in any other capacity under this Article may convert up  
26 to 5 years of that service credit into service credit covered

1 under this Section by paying to the Fund an amount equal to (1)  
2 the additional employee contribution required under Section  
3 14-133, plus (2) the additional employer contribution required  
4 under Section 14-131, plus (3) interest on items (1) and (2) at  
5 the actuarially assumed rate from the date of the service to  
6 the date of payment.

7 (o) Subject to the limitation in subsection (i), a  
8 conservation police officer, investigator for the Secretary of  
9 State, Commerce Commission police officer, investigator for  
10 the Department of Revenue or the Illinois Gaming Board, or  
11 arson investigator subject to subsection (g) of Section 1-160  
12 may elect to convert up to 8 years of service credit  
13 established before January 1, 2020 (the effective date of  
14 Public Act 101-610) as a conservation police officer,  
15 investigator for the Secretary of State, Commerce Commission  
16 police officer, investigator for the Department of Revenue or  
17 the Illinois Gaming Board, or arson investigator under this  
18 Article into eligible creditable service by filing a written  
19 election with the Board no later than one year after January 1,  
20 2020 (the effective date of Public Act 101-610), accompanied  
21 by payment of an amount to be determined by the Board equal to  
22 (i) the difference between the amount of the employee  
23 contributions actually paid for that service and the amount of  
24 the employee contributions that would have been paid had the  
25 employee contributions been made as a noncovered employee  
26 serving in a position in which eligible creditable service, as

1 defined in this Section, may be earned, plus (ii) interest  
2 thereon at the effective rate for each year, compounded  
3 annually, from the date of service to the date of payment.

4 (Source: P.A. 102-210, eff. 7-30-21; 102-538, eff. 8-20-21;  
5 102-856, eff. 1-1-23; 103-34, eff. 1-1-24.)

6 (Text of Section from P.A. 102-956 and 103-34)

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

17 (i) for periods of service as a noncovered employee:  
18 if retirement occurs on or after January 1, 2001, 3% of  
19 final average compensation for each year of creditable  
20 service; if retirement occurs before January 1, 2001, 2  
21 1/4% of final average compensation for each of the first  
22 10 years of creditable service, 2 1/2% for each year above  
23 10 years to and including 20 years of creditable service,  
24 and 2 3/4% for each year of creditable service above 20  
25 years; and

1 (ii) for periods of eligible creditable service as a  
2 covered employee: if retirement occurs on or after January  
3 1, 2001, 2.5% of final average compensation for each year  
4 of creditable service; if retirement occurs before January  
5 1, 2001, 1.67% of final average compensation for each of  
6 the first 10 years of such service, 1.90% for each of the  
7 next 10 years of such service, 2.10% for each year of such  
8 service in excess of 20 but not exceeding 30, and 2.30% for  
9 each year in excess of 30.

10 Such annuity shall be subject to a maximum of 75% of final  
11 average compensation if retirement occurs before January 1,  
12 2001 or to a maximum of 80% of final average compensation if  
13 retirement occurs on or after January 1, 2001.

14 These rates shall not be applicable to any service  
15 performed by a member as a covered employee which is not  
16 eligible creditable service. Service as a covered employee  
17 which is not eligible creditable service shall be subject to  
18 the rates and provisions of Section 14-108.

19 (a-5) A member who is eligible to receive an alternative  
20 retirement annuity under this Section may elect to receive an  
21 estimated payment that shall commence no later than 30 days  
22 after the later of either the member's last day of employment  
23 or 30 days after the member files for the retirement benefit  
24 with the System. The estimated payment shall be the best  
25 estimate by the System of the total monthly amount due to the  
26 member based on the information that the System possesses at

1 the time of the estimate. If the amount of the estimate is  
2 greater or less than the actual amount of the monthly annuity,  
3 the System shall pay or recover the difference within 6 months  
4 after the start of the monthly annuity.

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

8 (1) State policeman;

9 (2) fire fighter in the fire protection service of a  
10 department;

11 (3) air pilot;

12 (4) special agent;

13 (5) investigator for the Secretary of State;

14 (6) conservation police officer;

15 (7) investigator for the Department of Revenue or the  
16 Illinois Gaming Board;

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 or the Department of Juvenile Justice;

23 (11) dangerous drugs investigator;

24 (12) investigator for the Illinois State Police;

25 (13) investigator for the Office of the Attorney  
26 General;

- 1 (14) controlled substance inspector;
- 2 (15) investigator for the Office of the State's  
3 Attorneys Appellate Prosecutor;
- 4 (16) Commerce Commission police officer;
- 5 (17) arson investigator;
- 6 (18) State highway maintenance worker;
- 7 (19) security employee of the Department of Innovation  
8 and Technology; or
- 9 (20) transferred employee.

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

20 A person under paragraph (20) is entitled to eligible  
21 creditable service for service credit earned under this  
22 Article on and after his or her transfer by Executive Order No.  
23 2003-10, Executive Order No. 2004-2, or Executive Order No.  
24 2016-1.

25 (c) For the purposes of this Section:

26 (1) The term "State policeman" includes any title or

1 position in the Illinois State Police that is held by an  
2 individual employed under the Illinois State Police Act.

3 (2) The term "fire fighter in the fire protection  
4 service of a department" includes all officers in such  
5 fire protection service including fire chiefs and  
6 assistant fire chiefs.

7 (3) The term "air pilot" includes any employee whose  
8 official job description on file in the Department of  
9 Central Management Services, or in the department by which  
10 he is employed if that department is not covered by the  
11 Personnel Code, states that his principal duty is the  
12 operation of aircraft, and who possesses a pilot's  
13 license; however, the change in this definition made by  
14 Public Act 83-842 shall not operate to exclude any  
15 noncovered employee who was an "air pilot" for the  
16 purposes of this Section on January 1, 1984.

17 (4) The term "special agent" means any person who by  
18 reason of employment by the Division of Narcotic Control,  
19 the Bureau of Investigation or, after July 1, 1977, the  
20 Division of Criminal Investigation, the Division of  
21 Internal Investigation, the Division of Operations, the  
22 Division of Patrol, or any other Division or  
23 organizational entity in the Illinois State Police is  
24 vested by law with duties to maintain public order,  
25 investigate violations of the criminal law of this State,  
26 enforce the laws of this State, make arrests and recover

1 property. The term "special agent" includes any title or  
2 position in the Illinois State Police that is held by an  
3 individual employed under the Illinois State Police Act.

4 (5) The term "investigator for the Secretary of State"  
5 means any person employed by the Office of the Secretary  
6 of State and vested with such investigative duties as  
7 render him 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.

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

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

1 Conservation Police Administrator.

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

8 The term "investigator for the Illinois Gaming Board"  
9 means any person employed as such by the Illinois Gaming  
10 Board and vested with such peace officer duties as render  
11 the person ineligible for coverage under the Social  
12 Security Act by reason of Sections 218(d)(5)(A),  
13 218(d)(8)(D), and 218(1)(1) of that Act.

14 (8) The term "security employee of the Department of  
15 Human Services" means any person employed by the  
16 Department of Human Services who (i) is employed at the  
17 Chester Mental Health Center and has daily contact with  
18 the residents thereof, (ii) is employed within a security  
19 unit at a facility operated by the Department and has  
20 daily contact with the residents of the security unit,  
21 (iii) is employed at a facility operated by the Department  
22 that includes a security unit and is regularly scheduled  
23 to work at least 50% of his or her working hours within  
24 that security unit, or (iv) is a mental health police  
25 officer. "Mental health police officer" means any person  
26 employed by the Department of Human Services in a position

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

15             The changes made to this subdivision (c)(8) by Public  
16      Act 92-14 apply to persons who retire on or after January  
17      1, 2001, notwithstanding Section 1-103.1.

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) For a member who first became an employee under  
25      this Article before July 1, 2005, the term "security  
26      employee of the Department of Corrections or the

1 Department of Juvenile Justice" means any employee of the  
2 Department of Corrections or the Department of Juvenile  
3 Justice or the former Department of Personnel, and any  
4 member or employee of the Prisoner Review Board, who has  
5 daily contact with inmates or youth by working within a  
6 correctional facility or Juvenile facility operated by the  
7 Department of Juvenile Justice or who is a parole officer  
8 or an employee who has direct contact with committed  
9 persons in the performance of his or her job duties. For a  
10 member who first becomes an employee under this Article on  
11 or after July 1, 2005, the term means an employee of the  
12 Department of Corrections or the Department of Juvenile  
13 Justice who is any of the following: (i) officially  
14 headquartered at a correctional facility or Juvenile  
15 facility operated by the Department of Juvenile Justice,  
16 (ii) a parole officer, (iii) a member of the apprehension  
17 unit, (iv) a member of the intelligence unit, (v) a member  
18 of the sort team, or (vi) an investigator.

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

22 (12) The term "investigator for the Illinois State  
23 Police" means a person employed by the Illinois State  
24 Police who is vested under Section 4 of the Narcotic  
25 Control Division Abolition Act with such law enforcement  
26 powers as render him ineligible for coverage under the

1 Social Security Act by reason of Sections 218(d)(5)(A),  
2 218(d)(8)(D) and 218(1)(1) of that Act.

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

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

22 (15) The term "investigator for the Office of the  
23 State's Attorneys Appellate Prosecutor" means a person  
24 employed in that capacity on a full-time basis under the  
25 authority of Section 7.06 of the State's Attorneys  
26 Appellate Prosecutor's Act.

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

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

23           (18) The term "State highway maintenance worker" means  
24 a person who is either of the following:

25                   (i) A person employed on a full-time basis by the  
26 Illinois Department of Transportation in the position

1 of highway maintainer, highway maintenance lead  
2 worker, highway maintenance lead/lead worker, heavy  
3 construction equipment operator, power shovel  
4 operator, or bridge mechanic; and whose principal  
5 responsibility is to perform, on the roadway, the  
6 actual maintenance necessary to keep the highways that  
7 form a part of the State highway system in serviceable  
8 condition for vehicular traffic.

9 (ii) A person employed on a full-time basis by the  
10 Illinois State Toll Highway Authority in the position  
11 of equipment operator/laborer H-4, equipment  
12 operator/laborer H-6, welder H-4, welder H-6,  
13 mechanical/electrical H-4, mechanical/electrical H-6,  
14 water/sewer H-4, water/sewer H-6, sign maker/hanger  
15 H-4, sign maker/hanger H-6, roadway lighting H-4,  
16 roadway lighting H-6, structural H-4, structural H-6,  
17 painter H-4, or painter H-6; and whose principal  
18 responsibility is to perform, on the roadway, the  
19 actual maintenance necessary to keep the Authority's  
20 tollways in serviceable condition for vehicular  
21 traffic.

22 (19) The term "security employee of the Department of  
23 Innovation and Technology" means a person who was a  
24 security employee of the Department of Corrections or the  
25 Department of Juvenile Justice, was transferred to the  
26 Department of Innovation and Technology pursuant to

1 Executive Order 2016-01, and continues to perform similar  
2 job functions under that Department.

3 (20) "Transferred employee" means an employee who was  
4 transferred to the Department of Central Management  
5 Services by Executive Order No. 2003-10 or Executive Order  
6 No. 2004-2 or transferred to the Department of Innovation  
7 and Technology by Executive Order No. 2016-1, or both, and  
8 was entitled to eligible creditable service for services  
9 immediately preceding the transfer.

10 (d) A security employee of the Department of Corrections  
11 or the Department of Juvenile Justice, a security employee of  
12 the Department of Human Services who is not a mental health  
13 police officer, and a security employee of the Department of  
14 Innovation and Technology shall not be eligible for the  
15 alternative retirement annuity provided by this Section unless  
16 he or she meets the following minimum age and service  
17 requirements at the time of retirement:

18 (i) 25 years of eligible creditable service and age  
19 55; or

20 (ii) beginning January 1, 1987, 25 years of eligible  
21 creditable service and age 54, or 24 years of eligible  
22 creditable service and age 55; or

23 (iii) beginning January 1, 1988, 25 years of eligible  
24 creditable service and age 53, or 23 years of eligible  
25 creditable service and age 55; or

26 (iv) beginning January 1, 1989, 25 years of eligible

1           creditable service and age 52, or 22 years of eligible  
2           creditable service and age 55; or

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

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

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

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

26          (f) For purposes of calculating retirement annuities under

1 this Section, periods of service rendered after December 31,  
2 1968 and before October 1, 1975 as a covered employee in the  
3 position of special agent, conservation police officer, mental  
4 health police officer, or investigator for the Secretary of  
5 State, shall be deemed to have been service as a noncovered  
6 employee, provided that the employee pays to the System prior  
7 to retirement an amount equal to (1) the difference between  
8 the employee contributions that would have been required for  
9 such service as a noncovered employee, and the amount of  
10 employee contributions actually paid, plus (2) if payment is  
11 made after July 31, 1987, regular interest on the amount  
12 specified in item (1) from the date of service to the date of  
13 payment.

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

26 (g) A State policeman may elect, not later than January 1,

1 1990, to establish eligible creditable service for up to 10  
2 years of his service as a policeman under Article 3, by filing  
3 a written election with the Board, accompanied by payment of  
4 an amount to be determined by the Board, equal to (i) the  
5 difference between the amount of employee and employer  
6 contributions transferred to the System under Section 3-110.5,  
7 and the amounts that would have been contributed had such  
8 contributions been made at the rates applicable to State  
9 policemen, plus (ii) interest thereon at the effective rate  
10 for each year, compounded annually, from the date of service  
11 to the date of payment.

12 Subject to the limitation in subsection (i), a State  
13 policeman may elect, not later than July 1, 1993, to establish  
14 eligible creditable service for up to 10 years of his service  
15 as a member of the County Police Department under Article 9, by  
16 filing a written election with the Board, accompanied by  
17 payment of an amount to be determined by the Board, equal to  
18 (i) the difference between the amount of employee and employer  
19 contributions transferred to the System under Section 9-121.10  
20 and the amounts that would have been contributed had those  
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 (h) Subject to the limitation in subsection (i), a State  
26 policeman or investigator for the Secretary of State may elect

1 to establish eligible creditable service for up to 12 years of  
2 his service as a policeman under Article 5, by filing a written  
3 election with the Board on or before January 31, 1992, and  
4 paying to the System by January 31, 1994 an amount to be  
5 determined by the Board, equal to (i) the difference between  
6 the amount of employee and employer contributions transferred  
7 to the System under Section 5-236, and the amounts that would  
8 have been contributed had such contributions been made at the  
9 rates applicable to State policemen, plus (ii) interest  
10 thereon at the effective rate for each year, compounded  
11 annually, from the date of service to the date of payment.

12 Subject to the limitation in subsection (i), a State  
13 policeman, conservation police officer, or investigator for  
14 the Secretary of State may elect to establish eligible  
15 creditable service for up to 10 years of service as a sheriff's  
16 law enforcement employee under Article 7, by filing a written  
17 election with the Board on or before January 31, 1993, and  
18 paying to the System by January 31, 1994 an amount to be  
19 determined by the Board, equal to (i) the difference between  
20 the amount of employee and employer contributions transferred  
21 to the System under Section 7-139.7, and the amounts that  
22 would have been contributed had such contributions been made  
23 at the rates applicable to State policemen, plus (ii) interest  
24 thereon at the effective rate for each year, compounded  
25 annually, from the date of service to the date of payment.

26 Subject to the limitation in subsection (i), a State

1 policeman, conservation police officer, or investigator for  
2 the Secretary of State may elect to establish eligible  
3 creditable service for up to 5 years of service as a police  
4 officer under Article 3, a policeman under Article 5, a  
5 sheriff's law enforcement employee under Article 7, a member  
6 of the county police department under Article 9, or a police  
7 officer under Article 15 by filing a written election with the  
8 Board and paying to the System an amount to be determined by  
9 the Board, equal to (i) the difference between the amount of  
10 employee and employer contributions transferred to the System  
11 under Section 3-110.6, 5-236, 7-139.8, 9-121.10, or 15-134.4  
12 and the amounts that would have been contributed had such  
13 contributions been made at the rates applicable to State  
14 policemen, plus (ii) interest thereon at the effective rate  
15 for each year, compounded annually, from the date of service  
16 to the date of payment.

17 Subject to the limitation in subsection (i), an  
18 investigator for the Office of the Attorney General, or an  
19 investigator for the Department of Revenue, may elect to  
20 establish eligible creditable service for up to 5 years of  
21 service as a police officer under Article 3, a policeman under  
22 Article 5, a sheriff's law enforcement employee under Article  
23 7, or a member of the county police department under Article 9  
24 by filing a written election with the Board within 6 months  
25 after August 25, 2009 (the effective date of Public Act  
26 96-745) and paying to the System an amount to be determined by

1 the Board, equal to (i) the difference between the amount of  
2 employee and employer contributions transferred to the System  
3 under Section 3-110.6, 5-236, 7-139.8, or 9-121.10 and the  
4 amounts that would have been contributed had such  
5 contributions been made at the rates applicable to State  
6 policemen, plus (ii) interest thereon at the actuarially  
7 assumed rate for each year, compounded annually, from the date  
8 of service to the date of payment.

9 Subject to the limitation in subsection (i), a State  
10 policeman, conservation police officer, investigator for the  
11 Office of the Attorney General, an investigator for the  
12 Department of Revenue, or investigator for the Secretary of  
13 State may elect to establish eligible creditable service for  
14 up to 5 years of service as a person employed by a  
15 participating municipality to perform police duties, or law  
16 enforcement officer employed on a full-time basis by a forest  
17 preserve district under Article 7, a county corrections  
18 officer, or a court services officer under Article 9, by  
19 filing a written election with the Board within 6 months after  
20 August 25, 2009 (the effective date of Public Act 96-745) and  
21 paying to the System an amount to be determined by the Board,  
22 equal to (i) the difference between the amount of employee and  
23 employer contributions transferred to the System under  
24 Sections 7-139.8 and 9-121.10 and the amounts that would have  
25 been contributed had such contributions been made at the rates  
26 applicable to State policemen, plus (ii) interest thereon at

1 the actuarially assumed rate for each year, compounded  
2 annually, from the date of service to the date of payment.

3 Subject to the limitation in subsection (i), a State  
4 policeman, arson investigator, or Commerce Commission police  
5 officer may elect to establish eligible creditable service for  
6 up to 5 years of service as a person employed by a  
7 participating municipality to perform police duties under  
8 Article 7, a county corrections officer, a court services  
9 officer under Article 9, or a firefighter under Article 4 by  
10 filing a written election with the Board within 6 months after  
11 July 30, 2021 (the effective date of Public Act 102-210) and  
12 paying to the System an amount to be determined by the Board  
13 equal to (i) the difference between the amount of employee and  
14 employer contributions transferred to the System under  
15 Sections 4-108.8, 7-139.8, and 9-121.10 and the amounts that  
16 would have been contributed had such contributions been made  
17 at the rates applicable to State policemen, plus (ii) interest  
18 thereon at the actuarially assumed rate for each year,  
19 compounded annually, from the date of service to the date of  
20 payment.

21 Subject to the limitation in subsection (i), a  
22 conservation police officer may elect to establish eligible  
23 creditable service for up to 5 years of service as a person  
24 employed by a participating municipality to perform police  
25 duties under Article 7, a county corrections officer, or a  
26 court services officer under Article 9 by filing a written

1 election with the Board within 6 months after July 30, 2021  
2 (the effective date of Public Act 102-210) and paying to the  
3 System an amount to be determined by the Board equal to (i) the  
4 difference between the amount of employee and employer  
5 contributions transferred to the System under Sections 7-139.8  
6 and 9-121.10 and the amounts that would have been contributed  
7 had such contributions been made at the rates applicable to  
8 State policemen, plus (ii) interest thereon at the actuarially  
9 assumed rate for each year, compounded annually, from the date  
10 of service to the date of payment.

11 Notwithstanding the limitation in subsection (i), a State  
12 policeman or conservation police officer may elect to convert  
13 service credit earned under this Article to eligible  
14 creditable service, as defined by this Section, by filing a  
15 written election with the board within 6 months after July 30,  
16 2021 (the effective date of Public Act 102-210) and paying to  
17 the System an amount to be determined by the Board equal to (i)  
18 the difference between the amount of employee contributions  
19 originally paid for that service and the amounts that would  
20 have been contributed had such contributions been made at the  
21 rates applicable to State policemen, plus (ii) the difference  
22 between the employer's normal cost of the credit prior to the  
23 conversion authorized by Public Act 102-210 and the employer's  
24 normal cost of the credit converted in accordance with Public  
25 Act 102-210, plus (iii) interest thereon at the actuarially  
26 assumed rate for each year, compounded annually, from the date

1 of service to the date of payment.

2 (i) The total amount of eligible creditable service  
3 established by any person under subsections (g), (h), (j),  
4 (k), (l), (l-5), (o), and (p) of this Section shall not exceed  
5 12 years.

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

21 (k) Subject to the limitation in subsection (i) of this  
22 Section, an alternative formula employee may elect to  
23 establish eligible creditable service for periods spent as a  
24 full-time law enforcement officer or full-time corrections  
25 officer employed by the federal government or by a state or  
26 local government located outside of Illinois, for which credit

1 is not held in any other public employee pension fund or  
2 retirement system. To obtain this credit, the applicant must  
3 file a written application with the Board by March 31, 1998,  
4 accompanied by evidence of eligibility acceptable to the Board  
5 and payment of an amount to be determined by the Board, equal  
6 to (1) employee contributions for the credit being  
7 established, based upon the applicant's salary on the first  
8 day as an alternative formula employee after the employment  
9 for which credit is being established and the rates then  
10 applicable to alternative formula employees, plus (2) an  
11 amount determined by the Board to be the employer's normal  
12 cost of the benefits accrued for the credit being established,  
13 plus (3) regular interest on the amounts in items (1) and (2)  
14 from the first day as an alternative formula employee after  
15 the employment for which credit is being established to the  
16 date of payment.

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

1 applicable to security employees of the Department of  
2 Corrections, plus (ii) interest thereon at the effective rate  
3 for each year, compounded annually, from the date of service  
4 to the date of payment.

5 (1-5) Subject to the limitation in subsection (i) of this  
6 Section, a State policeman may elect to establish eligible  
7 creditable service for up to 5 years of service as a full-time  
8 law enforcement officer employed by the federal government or  
9 by a state or local government located outside of Illinois for  
10 which credit is not held in any other public employee pension  
11 fund or retirement system. To obtain this credit, the  
12 applicant must file a written application with the Board no  
13 later than 3 years after January 1, 2020 (the effective date of  
14 Public Act 101-610), accompanied by evidence of eligibility  
15 acceptable to the Board and payment of an amount to be  
16 determined by the Board, equal to (1) employee contributions  
17 for the credit being established, based upon the applicant's  
18 salary on the first day as an alternative formula employee  
19 after the employment for which credit is being established and  
20 the rates then applicable to alternative formula employees,  
21 plus (2) an amount determined by the Board to be the employer's  
22 normal cost of the benefits accrued for the credit being  
23 established, plus (3) regular interest on the amounts in items  
24 (1) and (2) from the first day as an alternative formula  
25 employee after the employment for which credit is being  
26 established to the date of payment.

1           (m) The amendatory changes to this Section made by Public  
2 Act 94-696 apply only to: (1) security employees of the  
3 Department of Juvenile Justice employed by the Department of  
4 Corrections before June 1, 2006 (the effective date of Public  
5 Act 94-696) and transferred to the Department of Juvenile  
6 Justice by Public Act 94-696; and (2) persons employed by the  
7 Department of Juvenile Justice on or after June 1, 2006 (the  
8 effective date of Public Act 94-696) who are required by  
9 subsection (b) of Section 3-2.5-15 of the Unified Code of  
10 Corrections to have any bachelor's or advanced degree from an  
11 accredited college or university or, in the case of persons  
12 who provide vocational training, who are required to have  
13 adequate knowledge in the skill for which they are providing  
14 the vocational training.

15           (n) A person employed in a position under subsection (b)  
16 of this Section who has purchased service credit under  
17 subsection (j) of Section 14-104 or subsection (b) of Section  
18 14-105 in any other capacity under this Article may convert up  
19 to 5 years of that service credit into service credit covered  
20 under this Section by paying to the Fund an amount equal to (1)  
21 the additional employee contribution required under Section  
22 14-133, plus (2) the additional employer contribution required  
23 under Section 14-131, plus (3) interest on items (1) and (2) at  
24 the actuarially assumed rate from the date of the service to  
25 the date of payment.

26           (o) Subject to the limitation in subsection (i), a

1 conservation police officer, investigator for the Secretary of  
2 State, Commerce Commission police officer, investigator for  
3 the Department of Revenue or the Illinois Gaming Board, or  
4 arson investigator subject to subsection (g) of Section 1-160  
5 may elect to convert up to 8 years of service credit  
6 established before January 1, 2020 (the effective date of  
7 Public Act 101-610) as a conservation police officer,  
8 investigator for the Secretary of State, Commerce Commission  
9 police officer, investigator for the Department of Revenue or  
10 the Illinois Gaming Board, or arson investigator under this  
11 Article into eligible creditable service by filing a written  
12 election with the Board no later than one year after January 1,  
13 2020 (the effective date of Public Act 101-610), accompanied  
14 by payment of an amount to be determined by the Board equal to  
15 (i) the difference between the amount of the employee  
16 contributions actually paid for that service and the amount of  
17 the employee contributions that would have been paid had the  
18 employee contributions been made as a noncovered employee  
19 serving in a position in which eligible creditable service, as  
20 defined in this Section, may be earned, plus (ii) interest  
21 thereon at the effective rate for each year, compounded  
22 annually, from the date of service to the date of payment.

23 (p) Subject to the limitation in subsection (i), an  
24 investigator for the Office of the Attorney General subject to  
25 subsection (g) of Section 1-160 may elect to convert up to 8  
26 years of service credit established before the effective date

1 of this amendatory Act of the 102nd General Assembly as an  
2 investigator for the Office of the Attorney General under this  
3 Article into eligible creditable service by filing a written  
4 election with the Board no later than one year after the  
5 effective date of this amendatory Act of the 102nd General  
6 Assembly, accompanied by payment of an amount to be determined  
7 by the Board equal to (i) the difference between the amount of  
8 the employee contributions actually paid for that service and  
9 the amount of the employee contributions that would have been  
10 paid had the employee contributions been made as a noncovered  
11 employee serving in a position in which eligible creditable  
12 service, as defined in this Section, may be earned, plus (ii)  
13 interest thereon at the effective rate for each year,  
14 compounded annually, from the date of service to the date of  
15 payment.

16 (Source: P.A. 102-210, eff. 7-30-21; 102-538, eff. 8-20-21;  
17 102-956, eff. 5-27-22; 103-34, eff. 1-1-24.)

18 (40 ILCS 5/14-152.1)

19 Sec. 14-152.1. Application and expiration of new benefit  
20 increases.

21 (a) As used in this Section, "new benefit increase" means  
22 an increase in the amount of any benefit provided under this  
23 Article, or an expansion of the conditions of eligibility for  
24 any benefit under this Article, that results from an amendment  
25 to this Code that takes effect after June 1, 2005 (the

1 effective date of Public Act 94-4). "New benefit increase",  
2 however, does not include any benefit increase resulting from  
3 the changes made to Article 1 or this Article by Public Act  
4 96-37, Public Act 100-23, Public Act 100-587, Public Act  
5 100-611, Public Act 101-10, Public Act 101-610, Public Act  
6 102-210, Public Act 102-856, Public Act 102-956, or this  
7 amendatory Act of the 104th General Assembly ~~this amendatory~~  
8 ~~Act of the 102nd General Assembly.~~

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

14 (c) The Public Act enacting a new benefit increase must  
15 identify and provide for payment to the System of additional  
16 funding at least sufficient to fund the resulting annual  
17 increase in cost to the System as it accrues.

18 Every new benefit increase is contingent upon the General  
19 Assembly providing the additional funding required under this  
20 subsection. The Commission on Government Forecasting and  
21 Accountability shall analyze whether adequate additional  
22 funding has been provided for the new benefit increase and  
23 shall report its analysis to the Public Pension Division of  
24 the Department of Insurance. A new benefit increase created by  
25 a Public Act that does not include the additional funding  
26 required under this subsection is null and void. If the Public

1 Pension Division determines that the additional funding  
2 provided for a new benefit increase under this subsection is  
3 or has become inadequate, it may so certify to the Governor and  
4 the State Comptroller and, in the absence of corrective action  
5 by the General Assembly, the new benefit increase shall expire  
6 at the end of the fiscal year in which the certification is  
7 made.

8 (d) Every new benefit increase shall expire 5 years after  
9 its effective date or on such earlier date as may be specified  
10 in the language enacting the new benefit increase or provided  
11 under subsection (c). This does not prevent the General  
12 Assembly from extending or re-creating a new benefit increase  
13 by law.

14 (e) Except as otherwise provided in the language creating  
15 the new benefit increase, a new benefit increase that expires  
16 under this Section continues to apply to persons who applied  
17 and qualified for the affected benefit while the new benefit  
18 increase was in effect and to the affected beneficiaries and  
19 alternate payees of such persons, but does not apply to any  
20 other person, including, without limitation, a person who  
21 continues in service after the expiration date and did not  
22 apply and qualify for the affected benefit while the new  
23 benefit increase was in effect.

24 (Source: P.A. 101-10, eff. 6-5-19; 101-81, eff. 7-12-19;  
25 101-610, eff. 1-1-20; 102-210, eff. 7-30-21; 102-856, eff.  
26 1-1-23; 102-956, eff. 5-27-22.)

1 Article 35.

2 Section 35-5. The Illinois Pension Code is amended by  
3 changing Section 15-139.5 as follows:

4 (40 ILCS 5/15-139.5)

5 Sec. 15-139.5. Return to work by affected annuitant;  
6 notice and contribution by employer.

7 (a) An employer who employs or re-employs a person  
8 receiving a retirement annuity from the System in an academic  
9 year beginning on or after August 1, 2013 must notify the  
10 System of that employment within 60 days after employing the  
11 annuitant. The notice must include a summary of the contract  
12 of employment or specify the rate of compensation and the  
13 anticipated length of employment of that annuitant. The notice  
14 must specify whether the annuitant will be compensated from  
15 federal, corporate, foundation, or trust funds or grants of  
16 State funds that identify the principal investigator by name.  
17 The notice must include the employer's determination of  
18 whether or not the annuitant is an "affected annuitant" as  
19 defined in subsection (b).

20 The employer must also record, document, and certify to  
21 the System (i) the amount of compensation paid to the  
22 annuitant for employment during the academic year, and (ii)  
23 the amount of that compensation, if any, that comes from

1 either federal, corporate, foundation, or trust funds or  
2 grants of State funds that identify the principal investigator  
3 by name.

4 As used in this Section, "academic year" means the  
5 12-month period beginning September 1.

6 For the purposes of this Section, an annuitant whose  
7 employment by an employer extends over more than one academic  
8 year shall be deemed to be re-employed by that employer in each  
9 of those academic years.

10 The System may specify the time, form, and manner of  
11 providing the determinations, notifications, certifications,  
12 and documentation required under this Section.

13 (b) A person receiving a retirement annuity from the  
14 System becomes an "affected annuitant" on the first day of the  
15 academic year following the academic year in which the  
16 annuitant first meets the following conditions:

17 (1) (Blank).

18 (2) While receiving a retirement annuity under this  
19 Article, the annuitant was employed on or after August 1,  
20 2013 by one or more employers under this Article and  
21 received or became entitled to receive during an academic  
22 year compensation for that employment in excess of 40% of  
23 his or her highest annual earnings prior to retirement;  
24 except that compensation paid from federal, corporate,  
25 foundation, or trust funds or grants of State funds that  
26 identify the principal investigator by name is excluded.

1           (3) The annuitant received an annualized retirement  
2 annuity under this Article of at least \$10,000.

3           A person who becomes an affected annuitant remains an  
4 affected annuitant, except for (i) any period during which the  
5 person returns to active service and does not receive a  
6 retirement annuity from the System or (ii) any period on or  
7 after the effective date of this amendatory Act of the 100th  
8 General Assembly during which an annuitant received an  
9 annualized retirement annuity under this Article that is less  
10 than \$10,000.

11           (c) It is the obligation of the employer to determine  
12 whether an annuitant is an affected annuitant before employing  
13 the annuitant. For that purpose the employer may require the  
14 annuitant to disclose and document his or her relevant prior  
15 employment and earnings history. Failure of the employer to  
16 make this determination correctly and in a timely manner or to  
17 include this determination with the notification required  
18 under subsection (a) does not excuse the employer from making  
19 the contribution required under subsection (e).

20           The System may assist the employer in determining whether  
21 a person is an affected annuitant. The System shall inform the  
22 employer if it discovers that the employer's determination is  
23 inconsistent with the employment and earnings information in  
24 the System's records.

25           (d) Upon the request of an annuitant, the System shall  
26 certify to the annuitant or the employer the following

1 information as reported by the employers, as that information  
2 is indicated in the records of the System: (i) the annuitant's  
3 highest annual earnings prior to retirement, (ii) the  
4 compensation paid for that employment in each academic year,  
5 and (iii) whether any of that employment or compensation has  
6 been certified to the System as being paid from federal,  
7 corporate, foundation, or trust funds or grants of State funds  
8 that identify the principal investigator by name. The System  
9 shall only be required to certify information that is received  
10 from the employers.

11 (e) In addition to the requirements of subsection (a), an  
12 employer who employs an affected annuitant must pay to the  
13 System an employer contribution in the amount and manner  
14 provided in this Section, unless the annuitant is compensated  
15 by that employer solely from federal, corporate, foundation,  
16 or trust funds or grants of State funds that identify the  
17 principal investigator by name.

18 The employer contribution required under this Section for  
19 employment of an affected annuitant in an academic year shall  
20 be equal to 12 times the amount of the gross monthly retirement  
21 annuity payable to the annuitant for the month in which the  
22 first paid day of that employment in that academic year  
23 occurs, after any reduction in that annuity that may be  
24 imposed under subsection (b) of Section 15-139.

25 If an affected annuitant is employed by more than one  
26 employer in an academic year, the employer contribution

1 required under this Section shall be divided among those  
2 employers in proportion to their respective portions of the  
3 total compensation paid to the affected annuitant for that  
4 employment during that academic year.

5 If the System determines that an employer, without  
6 reasonable justification, has failed to make the determination  
7 of affected annuitant status correctly and in a timely manner,  
8 or has failed to notify the System or to correctly document or  
9 certify to the System any of the information required by this  
10 Section, and that failure results in a delayed determination  
11 by the System that a contribution is payable under this  
12 Section, then the amount of that employer's contribution  
13 otherwise determined under this Section shall be doubled.

14 The System shall deem a failure to correctly determine the  
15 annuitant's status to be justified if the employer establishes  
16 to the System's satisfaction that the employer, after due  
17 diligence, made an erroneous determination that the annuitant  
18 was not an affected annuitant due to reasonable reliance on  
19 false or misleading information provided by the annuitant or  
20 another employer, or an error in the annuitant's official  
21 employment or earnings records.

22 (f) Whenever the System determines that an employer is  
23 liable for a contribution under this Section, it shall so  
24 notify the employer and certify the amount of the  
25 contribution. The employer may pay the required contribution  
26 without interest at any time within one year after receipt of

1 the certification. If the employer fails to pay within that  
2 year, then interest shall be charged at a rate equal to the  
3 System's prescribed rate of interest, compounded annually from  
4 the 366th day after receipt of the certification from the  
5 System. Payment must be concluded within 2 years after receipt  
6 of the certification by the employer. If the employer fails to  
7 make complete payment, including applicable interest, within 2  
8 years, then the System may, after giving notice to the  
9 employer, certify the delinquent amount to the State  
10 Comptroller, and the Comptroller shall thereupon deduct the  
11 certified delinquent amount from State funds payable to the  
12 employer and pay them instead to the System.

13 (g) If an employer is required to make a contribution to  
14 the System as a result of employing an affected annuitant and  
15 the annuitant later elects to forgo his or her annuity in that  
16 same academic year pursuant to subsection (c) of Section  
17 15-139, then the required contribution by the employer shall  
18 be waived, and if the contribution has already been paid, it  
19 shall be refunded to the employer without interest.

20 (h) Notwithstanding any other provision of this Article,  
21 the employer contribution required under this Section shall  
22 not be included in the determination of any benefit under this  
23 Article or any other Article of this Code, regardless of  
24 whether the annuitant returns to active service, and is in  
25 addition to any other State or employer contribution required  
26 under this Article.

1 (i) Notwithstanding any other provision of this Section to  
2 the contrary, if an employer employs an affected annuitant in  
3 order to continue critical operations in the event of either  
4 an employee's unforeseen illness, accident, or death or a  
5 catastrophic incident or disaster, then, for one and only one  
6 academic year, the employer is not required to pay the  
7 contribution set forth in this Section for that annuitant. The  
8 employer shall, however, immediately notify the System upon  
9 employing a person subject to this subsection (i). For the  
10 purposes of this subsection (i), "critical operations" means  
11 teaching services, medical services, student welfare services,  
12 and any other services that are critical to the mission of the  
13 employer.

14 (i-5) An employer that is liable for aggregate  
15 contributions under this Section in excess of \$300,000 for  
16 employing the same affected annuitant during academic years  
17 2021, 2022, and 2023 shall receive a credit for said  
18 contributions made by the employer against future  
19 contributions or penalties owed to the System by the employer.

20 (j) This Section shall be applied and coordinated with the  
21 regulatory obligations contained in the State Universities  
22 Civil Service Act. This Section shall not apply to an  
23 annuitant if the employer of that annuitant provides  
24 documentation to the System that (1) the annuitant is employed  
25 in a status appointment position, as that term is defined in 80  
26 Ill. Adm. Code 250.80, and (2) due to obligations contained

1 under the State Universities Civil Service Act, the employer  
2 does not have the ability to limit the earnings or duration of  
3 employment for the annuitant while employed in the status  
4 appointment position.

5 (Source: P.A. 100-556, eff. 12-8-17.)

6 Article 99.

7 Section 99-90. The State Mandates Act is amended by adding  
8 Section 8.49 as follows:

9 (30 ILCS 805/8.49 new)

10 Sec. 8.49. Exempt mandate. Notwithstanding Sections 6 and  
11 8 of this Act, no reimbursement by the State is required for  
12 the implementation of any mandate created by this amendatory  
13 Act of the 104th General Assembly.

14 Section 99-99. Effective date. This Article and Articles  
15 1, 9, 11, 12, 15, 26, 33, 34, and 35 take effect upon becoming  
16 law."