



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

HB1428

Introduced 2/21/2007, by Rep. Brandon W. Phelps

SYNOPSIS AS INTRODUCED:

40 ILCS 5/14-110

from Ch. 108 1/2, par. 14-110

40 ILCS 5/14-152.2 new

Amends the State Employee Article of the Illinois Pension Code. Provides that military security police officers are eligible for the alternative (State Police) formula. Includes new benefit increase language. Effective immediately.

LRB095 03719 AMC 23746 b

FISCAL NOTE ACT
MAY APPLY

PENSION IMPACT
NOTE ACT MAY
APPLY

1 AN ACT concerning public employee benefits.

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

4 Section 5. The Illinois Pension Code is amended by changing
5 Section 14-110 and by adding Section 14-152.2 as follows:

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

8 (a) Any member who has withdrawn from service with not less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10 age 55, and any member who has withdrawn from service with not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

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

1 for each year of creditable service above 20 years; and

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

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

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

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

23 (1) State policeman;

24 (2) fire fighter in the fire protection service of a
25 department;

26 (3) air pilot;

- 1 (4) special agent;
- 2 (5) investigator for the Secretary of State;
- 3 (6) conservation police officer;
- 4 (7) investigator for the Department of Revenue;
- 5 (8) security employee of the Department of Human
6 Services;
- 7 (9) Central Management Services security police
8 officer;
- 9 (10) security employee of the Department of
10 Corrections or the Department of Juvenile Justice;
- 11 (11) dangerous drugs investigator;
- 12 (12) investigator for the Department of State Police;
- 13 (13) investigator for the Office of the Attorney
14 General;
- 15 (14) controlled substance inspector;
- 16 (15) investigator for the Office of the State's
17 Attorneys Appellate Prosecutor;
- 18 (16) Commerce Commission police officer;
- 19 (17) arson investigator;
- 20 (18) State highway maintenance worker;~~;~~
- 21 (19) military security police officer.

22 A person employed in one of the positions specified in this
23 subsection is entitled to eligible creditable service for
24 service credit earned under this Article while undergoing the
25 basic police training course approved by the Illinois Law
26 Enforcement Training Standards Board, if completion of that

1 training is required of persons serving in that position. For
2 the purposes of this Code, service during the required basic
3 police training course shall be deemed performance of the
4 duties of the specified position, even though the person is not
5 a sworn peace officer at the time of the training.

6 (c) For the purposes of this Section:

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

10 (2) The term "fire fighter in the fire protection
11 service of a department" includes all officers in such fire
12 protection service including fire chiefs and assistant
13 fire chiefs.

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

24 (4) The term "special agent" means any person who by
25 reason of employment by the Division of Narcotic Control,
26 the Bureau of Investigation or, after July 1, 1977, the

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

10 (5) The term "investigator for the Secretary of State"
11 means any person employed by the Office of the Secretary of
12 State and vested with such investigative duties as render
13 him ineligible for coverage under the Social Security Act
14 by reason of Sections 218(d)(5)(A), 218(d)(8)(D) and
15 218(1)(1) of that Act.

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

25 (6) The term "Conservation Police Officer" means any
26 person employed by the Division of Law Enforcement of the

1 Department of Natural Resources and vested with such law
2 enforcement duties as render him ineligible for coverage
3 under the Social Security Act by reason of Sections
4 218(d)(5)(A), 218(d)(8)(D), and 218(1)(1) of that Act. The
5 term "Conservation Police Officer" includes the positions
6 of Chief Conservation Police Administrator and Assistant
7 Conservation Police Administrator.

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

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

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

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

17 (9) "Central Management Services security police
18 officer" means any person employed by the Department of
19 Central Management Services who is 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.

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

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

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

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

1 218(d)(8)(D) and 218(1)(1) of that Act.

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

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

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

26 (16) "Commerce Commission police officer" means any

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

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

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

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

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

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

21 (19) "Military security police officer" means any
22 person employed by the Department of Military Affairs in
23 the position of military security police I or military
24 security police II (or the predecessor job titles military
25 security guard 1 or military security guard 2).

26 (d) A security employee of the Department of Corrections or

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

7 (i) 25 years of eligible creditable service and age 55;

8 or

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

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

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

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

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

24 Persons who have service credit under Article 16 of this
25 Code for service as a security employee of the Department of
26 Corrections or the Department of Juvenile Justice, or the

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

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

15 (f) For purposes of calculating retirement annuities under
16 this Section, periods of service rendered after December 31,
17 1968 and before October 1, 1975 as a covered employee in the
18 position of special agent, conservation police officer, mental
19 health police officer, or investigator for the Secretary of
20 State, shall be deemed to have been service as a noncovered
21 employee, provided that the employee pays to the System prior
22 to retirement an amount equal to (1) the difference between the
23 employee contributions that would have been required for such
24 service as a noncovered employee, and the amount of employee
25 contributions actually paid, plus (2) if payment is made after
26 July 31, 1987, regular interest on the amount specified in item

1 (1) from the date of service to the date of payment.

2 For purposes of calculating retirement annuities under
3 this Section, periods of service rendered after December 31,
4 1968 and before January 1, 1982 as a covered employee in the
5 position of investigator for the Department of Revenue shall be
6 deemed to have been service as a noncovered employee, provided
7 that the employee pays to the System prior to retirement an
8 amount equal to (1) the difference between the employee
9 contributions that would have been required for such service as
10 a noncovered employee, and the amount of employee contributions
11 actually paid, plus (2) if payment is made after January 1,
12 1990, regular interest on the amount specified in item (1) from
13 the date of service to the date of payment.

14 (g) A State policeman may elect, not later than January 1,
15 1990, to establish eligible creditable service for up to 10
16 years of his service as a policeman under Article 3, by filing
17 a written election with the Board, accompanied by payment of an
18 amount to be determined by the Board, equal to (i) the
19 difference between the amount of employee and employer
20 contributions transferred to the System under Section 3-110.5,
21 and the 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 effective rate for
24 each year, compounded annually, from the date of service to the
25 date of payment.

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

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

13 (h) Subject to the limitation in subsection (i), a State
14 policeman or investigator for the Secretary of State may elect
15 to establish eligible creditable service for up to 12 years of
16 his service as a policeman under Article 5, by filing a written
17 election with the Board on or before January 31, 1992, 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 5-236, and the amounts that would
22 have been contributed had such contributions been made at the
23 rates applicable to State policemen, plus (ii) interest thereon
24 at the effective rate for each year, compounded annually, from
25 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 10 years of service as a sheriff's
4 law enforcement employee under Article 7, by filing a written
5 election with the Board on or before January 31, 1993, and
6 paying to the System by January 31, 1994 an amount to be
7 determined by the Board, equal to (i) the difference between
8 the amount of employee and employer contributions transferred
9 to the System under Section 7-139.7, and the amounts that would
10 have been contributed had such contributions been made at the
11 rates applicable to State policemen, plus (ii) interest thereon
12 at the effective rate for each year, compounded annually, from
13 the date of service to the date of payment.

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

17 (j) Subject to the limitation in subsection (i), an
18 investigator for the Office of the State's Attorneys Appellate
19 Prosecutor or a controlled substance inspector may elect to
20 establish eligible creditable service for up to 10 years of his
21 service as a policeman under Article 3 or a sheriff's law
22 enforcement employee under Article 7, by filing a written
23 election with the Board, accompanied by payment of an amount to
24 be determined by the Board, equal to (1) the difference between
25 the amount of employee and employer contributions transferred
26 to the System under Section 3-110.6 or 7-139.8, and the amounts

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

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

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

15 (m) The amendatory changes to this Section made by this
16 amendatory Act of the 94th General Assembly apply only to: (1)
17 security employees of the Department of Juvenile Justice
18 employed by the Department of Corrections before the effective
19 date of this amendatory Act of the 94th General Assembly and
20 transferred to the Department of Juvenile Justice by this
21 amendatory Act of the 94th General Assembly; and (2) persons
22 employed by the Department of Juvenile Justice on or after the
23 effective date of this amendatory Act of the 94th General
24 Assembly who are required by subsection (b) of Section 3-2.5-15
25 of the Unified Code of Corrections to have a bachelor's or
26 advanced degree from an accredited college or university with a

1 specialization in criminal justice, education, psychology,
2 social work, or a closely related social science or, in the
3 case of persons who provide vocational training, who are
4 required to have adequate knowledge in the skill for which they
5 are providing the vocational training.

6 (Source: P.A. 94-4, eff. 6-1-05; 94-696, eff. 6-1-06.)

7 (40 ILCS 5/14-152.2 new)

8 Sec. 14-152.2. New benefit increases. The General Assembly
9 finds and declares that the amendment to Section 14-110 made by
10 this amendatory Act of the 95th General Assembly that provides
11 the alternative formula to military security police officers
12 constitutes a new benefit increase within the meaning of
13 Section 14-152.1. This new benefit increase will expire 5 years
14 after the effective date of this amendatory Act. Funding for
15 this new benefit increase will be provided by additional
16 employee contributions under Section 14-133.

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