



Rep. Kathleen A. Ryg

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09500HB5120ham001

LRB095 16598 AMC 47369 a

1 AMENDMENT TO HOUSE BILL 5120

2 AMENDMENT NO. _____. Amend House Bill 5120, on page 1,
3 line 5, by replacing "Section" with "Sections 15-145 and"; and

4 on page 1, immediately below line 5, by inserting the
5 following:

6 "(40 ILCS 5/15-145) (from Ch. 108 1/2, par. 15-145)

7 Sec. 15-145. Survivors insurance benefits; conditions and
8 amounts.

9 (a) The survivors insurance benefits provided under this
10 Section shall be payable to the eligible survivors of a
11 participant covered under the traditional benefit package upon
12 the death of (1) a participating employee with at least 1 1/2
13 years of service, (2) a participant who terminated employment
14 with at least 10 years of service, and (3) an annuitant in
15 receipt of a retirement annuity or disability retirement
16 annuity under this Article.

1 Service under the State Employees' Retirement System of
2 Illinois, the Teachers' Retirement System of the State of
3 Illinois and the Public School Teachers' Pension and Retirement
4 Fund of Chicago shall be considered in determining eligibility
5 for survivors benefits under this Section.

6 If by law, a function of a governmental unit, as defined by
7 Section 20-107, is transferred in whole or in part to an
8 employer, and an employee transfers employment from this
9 governmental unit to such employer within 6 months after the
10 transfer of this function, the service credits in the
11 governmental unit's retirement system which have been
12 validated under Section 20-109 shall be considered in
13 determining eligibility for survivors benefits under this
14 Section.

15 (b) A surviving spouse of a deceased participant, or of a
16 deceased annuitant who did not take a refund or additional
17 annuity consisting of accumulated survivors insurance
18 contributions, shall receive a survivors annuity of 30% of the
19 final rate of earnings. Payments shall begin on the day
20 following the participant's or annuitant's death or the date
21 the surviving spouse attains age 50, whichever is later, and
22 continue until the death of the surviving spouse. The annuity
23 shall be payable to the surviving spouse prior to attainment of
24 age 50 if the surviving spouse has in his or her care a
25 deceased participant's or annuitant's dependent unmarried
26 child under age 18 (under age 22 if a full-time student) who is

1 eligible for a survivors annuity.

2 Remarriage of a surviving spouse prior to attainment of age
3 55 that occurs before the effective date of this amendatory Act
4 of the 91st General Assembly shall disqualify him or her for
5 the receipt of a survivors annuity until July 6, 2000.

6 A surviving spouse whose survivors annuity has been
7 terminated due to remarriage may apply for reinstatement of
8 that annuity. The reinstated annuity shall begin to accrue on
9 July 6, 2000, except that if, on July 6, 2000, the annuity is
10 payable to an eligible surviving child or parent, payment of
11 the annuity to the surviving spouse shall not be reinstated
12 until the annuity is no longer payable to any eligible
13 surviving child or parent. The reinstated annuity shall include
14 any one-time or annual increases received prior to the date of
15 termination, as well as any increases that would otherwise have
16 accrued from the date of termination to the date of
17 reinstatement. An eligible surviving spouse whose expectation
18 of receiving a survivors annuity was lost due to remarriage
19 before attainment of age 50 shall also be entitled to
20 reinstatement under this subsection, but the resulting
21 survivors annuity shall not begin to accrue sooner than upon
22 the surviving spouse's attainment of age 50.

23 The changes made to this subsection by this amendatory Act
24 of the 92nd General Assembly (pertaining to remarriage prior to
25 age 55 or 50) apply without regard to whether the deceased
26 participant or annuitant was in service on or after the

1 effective date of this amendatory Act.

2 (c) Each dependent unmarried child under age 18 (under age
3 22 if a full-time student) of a deceased participant, or of a
4 deceased annuitant who did not take a refund or additional
5 annuity consisting of accumulated survivors insurance
6 contributions, shall receive a survivors annuity equal to the
7 sum of (1) 20% of the final rate of earnings, and (2) 10% of the
8 final rate of earnings divided by the number of children
9 entitled to this benefit. Payments shall begin on the day
10 following the participant's or annuitant's death and continue
11 until the child marries, dies, or attains age 18 (age 22 if a
12 full-time student). If the child is in the care of a surviving
13 spouse who is eligible for survivors insurance benefits, the
14 child's benefit shall be paid to the surviving spouse.

15 Each unmarried child over age 18 of a deceased participant
16 or of a deceased annuitant who had a survivor's insurance
17 beneficiary at the time of his or her retirement, and who was
18 dependent upon the participant or annuitant or upon other care
19 providers for lifetime supervision by reason of a physical or
20 mental disability which began prior to the date the child
21 attained age 18 (age 22 if a full-time student), shall receive
22 a survivor's annuity equal to the sum of (1) 20% of the final
23 rate of earnings, and (2) 10% of the final rate of earnings
24 divided by the number of children entitled to survivors
25 benefits. For the purposes of this subsection (c), "care
26 providers" means a community integrated living arrangement,

1 group home, supported housing, and supervised apartment or
2 other residential services licensed or certified by the
3 Department of Human Services, the Department of Public Health,
4 or the Department of Healthcare and Family Services. Payments
5 shall begin on the day following the participant's or
6 annuitant's death and continue until the child marries, dies,
7 or is no longer disabled. If the child is in the care of a
8 surviving spouse who is eligible for survivors insurance
9 benefits, the child's benefit may be paid to the surviving
10 spouse. For the purposes of this Section, disability means
11 inability to engage in any substantial gainful activity by
12 reason of any medically determinable physical or mental
13 impairment that can be expected to result in death or that has
14 lasted or can be expected to last for a continuous period of at
15 least one year.

16 (d) Each dependent parent of a deceased participant, or of
17 a deceased annuitant who did not take a refund or additional
18 annuity consisting of accumulated survivors insurance
19 contributions, shall receive a survivors annuity equal to the
20 sum of (1) 20% of final rate of earnings, and (2) 10% of final
21 rate of earnings divided by the number of parents who qualify
22 for the benefit. Payments shall begin when the parent reaches
23 age 55 or the day following the participant's or annuitant's
24 death, whichever is later, and continue until the parent dies.
25 Remarriage of a parent prior to attainment of age 55 shall
26 disqualify the parent for the receipt of a survivors annuity.

1 (e) In addition to the survivors annuity provided above,
2 each survivors insurance beneficiary shall, upon death of the
3 participant or annuitant, receive a lump sum payment of \$1,000
4 divided by the number of such beneficiaries.

5 (f) The changes made in this Section by Public Act 81-712
6 pertaining to survivors annuities in cases of remarriage prior
7 to age 55 shall apply to each survivors insurance beneficiary
8 who remarries after June 30, 1979, regardless of the date that
9 the participant or annuitant terminated his employment or died.

10 The change made to this Section by this amendatory Act of
11 the 91st General Assembly, pertaining to remarriage prior to
12 age 55, applies without regard to whether the deceased
13 participant or annuitant was in service on or after the
14 effective date of this amendatory Act of the 91st General
15 Assembly.

16 (g) On January 1, 1981, any person who was receiving a
17 survivors annuity on or before January 1, 1971 shall have the
18 survivors annuity then being paid increased by 1% for each full
19 year which has elapsed from the date the annuity began. On
20 January 1, 1982, any survivor whose annuity began after January
21 1, 1971, but before January 1, 1981, shall have the survivor's
22 annuity then being paid increased by 1% for each year which has
23 elapsed from the date the survivor's annuity began. On January
24 1, 1987, any survivor who began receiving a survivor's annuity
25 on or before January 1, 1977, shall have the monthly survivor's
26 annuity increased by \$1 for each full year which has elapsed

1 since the date the survivor's annuity began.

2 (h) If the sum of the lump sum and total monthly survivor
3 benefits payable under this Section upon the death of a
4 participant amounts to less than the sum of the death benefits
5 payable under items (2) and (3) of Section 15-141, the
6 difference shall be paid in a lump sum to the beneficiary of
7 the participant who is living on the date that this additional
8 amount becomes payable.

9 (i) If the sum of the lump sum and total monthly survivor
10 benefits payable under this Section upon the death of an
11 annuitant receiving a retirement annuity or disability
12 retirement annuity amounts to less than the death benefit
13 payable under Section 15-142, the difference shall be paid to
14 the beneficiary of the annuitant who is living on the date that
15 this additional amount becomes payable.

16 (j) Effective on the later of (1) January 1, 1990, or (2)
17 the January 1 on or next after the date on which the survivor
18 annuity begins, if the deceased member died while receiving a
19 retirement annuity, or in all other cases the January 1 nearest
20 the first anniversary of the date the survivor annuity payments
21 begin, every survivors insurance beneficiary shall receive an
22 increase in his or her monthly survivors annuity of 3%. On each
23 January 1 after the initial increase, the monthly survivors
24 annuity shall be increased by 3% of the total survivors annuity
25 provided under this Article, including previous increases
26 provided by this subsection. Such increases shall apply to the

1 survivors insurance beneficiaries of each participant and
2 annuitant, whether or not the employment status of the
3 participant or annuitant terminates before the effective date
4 of this amendatory Act of 1990. This subsection (j) also
5 applies to persons receiving a survivor annuity under the
6 portable benefit package.

7 (k) If the Internal Revenue Code of 1986, as amended,
8 requires that the survivors benefits be payable at an age
9 earlier than that specified in this Section the benefits shall
10 begin at the earlier age, in which event, the survivor's
11 beneficiary shall be entitled only to that amount which is
12 equal to the actuarial equivalent of the benefits provided by
13 this Section.

14 (l) The changes made to this Section and Section 15-131 by
15 this amendatory Act of 1997, relating to benefits for certain
16 unmarried children who are full-time students under age 22,
17 apply without regard to whether the deceased member was in
18 service on or after the effective date of this amendatory Act
19 of 1997. These changes do not authorize the repayment of a
20 refund or a re-election of benefits, and any benefit or
21 increase in benefits resulting from these changes is not
22 payable retroactively for any period before the effective date
23 of this amendatory Act of 1997.

24 (Source: P.A. 91-887, eff. 7-6-00; 92-749, eff. 8-2-02.)".