

1 AN ACT in relation to public employee benefits.

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

4 Section 5. The Illinois Pension Code is amended by
5 changing Section 7-156 as follows:

6 (40 ILCS 5/7-156) (from Ch. 108 1/2, par. 7-156)
7 Sec. 7-156. Surviving spouse annuities - amount.

8 (a) The amount of surviving spouse annuity shall be:

9 1. Upon the death of an employee annuitant or such
10 person entitled, upon application, to a retirement annuity at
11 date of death, (i) an amount equal to 1/2 of the retirement
12 annuity (in the case of such a person who dies on or after
13 January 1, 2002 with at least 20 years of service, 66% of the
14 retirement annuity) which was or would have been payable
15 exclusive of the amount so payable which was provided from
16 additional credits, and disregarding any election made under
17 paragraph (b) of Section 7-142, plus (ii) an annuity which
18 could be provided at the then attained age of the surviving
19 spouse and under actuarial tables then in effect, from the
20 excess of the additional credits, (excluding any such credits
21 used to create a reversionary annuity) used to provide the
22 annuity granted pursuant to paragraph (a) (2) of Section
23 7-142 of this article over the total annuity payments made
24 pursuant thereto.

25 2. Upon the death of a participating employee on or
26 after attainment of age 55, an amount equal to 1/2 of the
27 retirement annuity (in the case of such a person who dies on
28 or after January 1, 2002 with at least 20 years of service,
29 66% of the retirement annuity) which he could have had as of
30 the date of death had he then retired and applied for
31 annuity, exclusive of the portion thereof which could have

1 been provided from additional credits, and disregarding
2 paragraph (b) of Section 7-142, plus an amount equal to the
3 annuity which could be provided from the total of his
4 accumulated additional credits at date of death, on the basis
5 of the attained age of the surviving spouse on such date.

6 3. Upon the death of a participating employee before age
7 55, an amount equal to 1/2 of the retirement annuity (in the
8 case of such a person who dies on or after January 1, 2002
9 with at least 20 years of service, 66% of the retirement
10 annuity) which he could have had as of his attained age on
11 the date of death, had he then retired and applied for
12 annuity, and the provisions of this Article that no such
13 annuity shall begin until the employee has attained at least
14 age 55 were not applicable, exclusive of the portion thereof
15 which could have been provided from additional credits and
16 disregarding paragraph (b) of Section 7-142, plus an amount
17 equal to the annuity which could be provided from the total
18 of his accumulated additional credits at date of death, on
19 the basis of the attained age of the surviving spouse on such
20 date.

21 If a surviving spouse is more than 5 years younger than
22 the deceased, that portion of the annuity which is not based
23 on additional credits shall be reduced in the ratio of the
24 value of a life annuity of \$1 per year at an age of 5 years
25 less than the attained age of the deceased, at the earlier of
26 the date of the death or the date his retirement annuity
27 begins, to the value of a life annuity of \$1 per year at the
28 attained age of the surviving spouse on such date, according
29 to actuarial tables approved by the Board.

30 In computing the amount of a surviving spouse annuity,
31 incremental increases of retirement annuities to the date of
32 death of the employee annuitant shall be considered.

33 (b) Each surviving spouse annuity payable on January 1,
34 1988 shall be increased on that date by 3% of the original

1 amount of the annuity. Each surviving spouse annuity that
2 begins after January 1, 1988 shall be increased on the
3 January 1 next occurring after the annuity begins, by an
4 amount equal to (i) 3% of the original amount thereof if the
5 deceased employee was receiving a retirement annuity at the
6 time of his death; otherwise (ii) 0.167% of the original
7 amount thereof for each complete month which has elapsed
8 since the date the annuity began.

9 On each January 1 after the date of the initial increase
10 under this subsection, each surviving spouse annuity shall be
11 increased by 3% of the originally granted amount of the
12 annuity.

13 (Source: P.A. 85-941.)

14 Section 90. The State Mandates Act is amended by adding
15 Section 8.25 as follows:

16 (30 ILCS 805/8.25 new)

17 Sec. 8.25. Exempt mandate. Notwithstanding Sections 6
18 and 8 of this Act, no reimbursement by the State is required
19 for the implementation of any mandate created by this
20 amendatory Act of the 92nd General Assembly.

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