

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 17-119 as follows:

6 (40 ILCS 5/17-119) (from Ch. 108 1/2, par. 17-119)

7 Sec. 17-119. Automatic annual increase in pension. Each
8 teacher retiring on or after September 1, 1959, is entitled
9 to the annual increase in pension, defined herein, while he
10 is receiving a pension from the Fund.

11 1. The term "base pension" means a service retirement,
12 reversionary, duty disability, or disability retirement
13 pension in the amount fixed and payable at the date of
14 retirement of a teacher.

15 2. The annual increase in pension shall be at the rate
16 of 1 1/2% of base pension. This increase shall first occur in
17 January of the year next following the first anniversary of
18 retirement. At such time the Fund shall pay the pro rata part
19 of the increase for the period from the first anniversary
20 date to the date of the first increase in pension. Beginning
21 January 1, 1972, the rate of annual increase in pension shall
22 be 2% of the base pension. Beginning January 1, 1979, the
23 rate of annual increase in pension shall be 3% of the base
24 pension. Beginning January 1, 1990, all automatic annual
25 increases payable under this Section shall be calculated as a
26 percentage of the total pension payable at the time of the
27 increase, including all increases previously granted under
28 this Article, notwithstanding Section 17-157.

29 3. An increase in pension shall be granted only if the
30 retired teacher is age 60 or over. If the teacher attains age
31 60 after retirement, the increase in pension shall begin in

1 January of the year following the 61st birthday. At such time
2 the Fund also shall pay the pro rata part of the increase
3 from the 61st birthday to the date of first increase in
4 pension.

5 In addition to other increases which may be provided by
6 this Section, on January 1, 1981 any teacher who was
7 receiving a retirement pension on or before January 1, 1971
8 shall have his retirement pension then being paid increased
9 \$1 per month for each year of creditable service. On January
10 1, 1982, any teacher whose retirement pension began on or
11 before January 1, 1977, shall have his retirement pension
12 then being paid increased \$1 per month for each year of
13 creditable service.

14 On January 1, 1987, any teacher whose retirement pension
15 began on or before January 1, 1977, shall have the monthly
16 retirement pension increased by an amount equal to 8¢ per
17 year of creditable service times the number of years that
18 have elapsed since the retirement pension began.

19 (Source: P.A. 90-566, eff. 1-2-98.)

20 Section 90. The State Mandates Act is amended by adding
21 Section 8.25 as follows:

22 (30 ILCS 805/8.25 new)

23 Sec. 8.25. Exempt mandate. Notwithstanding Sections 6
24 and 8 of this Act, no reimbursement by the State is required
25 for the implementation of any mandate created by this
26 amendatory Act of the 92nd General Assembly.

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