



Rep. Robert Martwick

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LRB100 17234 RPS 38125 a

1 AMENDMENT TO HOUSE BILL 4659

2 AMENDMENT NO. _____. Amend House Bill 4659 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Pension Code is amended by
5 changing Sections 5-167.1 and 6-164 as follows:

6 (40 ILCS 5/5-167.1) (from Ch. 108 1/2, par. 5-167.1)

7 Sec. 5-167.1. Automatic increase in annuity; retirement
8 from service after September 1, 1967.

9 (a) A policeman who retires from service after September 1,
10 1967 with at least 20 years of service credit shall, upon
11 either the first of the month following the first anniversary
12 of his date of retirement if he is age 55 ~~60 (age 55 if born~~
13 ~~before January 1, 1966)~~ or over on that anniversary date, or
14 upon the first of the month following his attainment of age 55
15 ~~60 (age 55 if born before January 1, 1966)~~ if it occurs after
16 the first anniversary of his retirement date, have his then

1 fixed and payable monthly annuity increased by 3% ~~1-1/2%~~ and
2 such first fixed annuity as granted at retirement increased by
3 an additional 3% ~~1-1/2%~~ in January of each year thereafter ~~up~~
4 ~~to a maximum increase of 30%. Beginning January 1, 1983 for~~
5 ~~policemen born before January 1, 1930, and beginning January 1,~~
6 ~~1988 for policemen born on or after January 1, 1930 but before~~
7 ~~January 1, 1940, and beginning January 1, 1996 for policemen~~
8 ~~born on or after January 1, 1940 but before January 1, 1945,~~
9 ~~and beginning January 1, 2000 for policemen born on or after~~
10 ~~January 1, 1945 but before January 1, 1950, and beginning~~
11 ~~January 1, 2005 for policemen born on or after January 1, 1950~~
12 ~~but before January 1, 1955, and beginning January 1, 2017 for~~
13 ~~policemen born on or after January 1, 1955 but before January~~
14 ~~1, 1966, such increases shall be 3% and such policemen shall~~
15 ~~not be subject to the 30% maximum increase.~~

16 Any policeman born before January 1, 1945 who qualifies for
17 a minimum annuity and retires after September 1, 1967 but has
18 not received the initial increase under this subsection before
19 January 1, 1996 is entitled to receive the initial increase
20 under this subsection on (1) January 1, 1996, (2) the first
21 anniversary of the date of retirement, or (3) attainment of age
22 55, whichever occurs last. The changes to this Section made by
23 Public Act 89-12 apply beginning January 1, 1996 and without
24 regard to whether the policeman or annuitant terminated service
25 before the effective date of that Act.

26 Any policeman born before January 1, 1950 who qualifies for

1 a minimum annuity and retires after September 1, 1967 but has
2 not received the initial increase under this subsection before
3 January 1, 2000 is entitled to receive the initial increase
4 under this subsection on (1) January 1, 2000, (2) the first
5 anniversary of the date of retirement, or (3) attainment of age
6 55, whichever occurs last. The changes to this Section made by
7 this amendatory Act of the 92nd General Assembly apply without
8 regard to whether the policeman or annuitant terminated service
9 before the effective date of this amendatory Act.

10 Any policeman born before January 1, 1955 who qualifies for
11 a minimum annuity and retires after September 1, 1967 but has
12 not received the initial increase under this subsection before
13 January 1, 2005 is entitled to receive the initial increase
14 under this subsection on (1) January 1, 2005, (2) the first
15 anniversary of the date of retirement, or (3) attainment of age
16 55, whichever occurs last. The changes to this Section made by
17 this amendatory Act of the 94th General Assembly apply without
18 regard to whether the policeman or annuitant terminated service
19 before the effective date of this amendatory Act.

20 Any policeman born before January 1, 1966 who qualifies for
21 a minimum annuity and retires after September 1, 1967 but has
22 not received the initial increase under this subsection before
23 January 1, 2017 is entitled to receive an initial increase
24 under this subsection on (1) January 1, 2017, (2) the first
25 anniversary of the date of retirement, or (3) attainment of age
26 55, whichever occurs last, in an amount equal to 3% for each

1 complete year following the date of retirement or attainment of
2 age 55, whichever occurs later. The changes to this subsection
3 made by this amendatory Act of the 99th General Assembly apply
4 without regard to whether the policeman or annuitant terminated
5 service before the effective date of this amendatory Act.

6 Any policeman born after January 1, 1966 who qualifies for
7 a minimum annuity and retires after September 1, 1967 but has
8 not received the initial increase under this subsection before
9 January 1, 2019 is entitled to receive the initial increase
10 under this subsection on (1) January 1, 2019, (2) the first
11 anniversary of the date of retirement, or (3) attainment of age
12 55, whichever occurs last. The changes to this Section made by
13 this amendatory Act of the 100th General Assembly apply without
14 regard to whether the policeman or annuitant terminated service
15 before the effective date of this amendatory Act.

16 (b) Subsection (a) of this Section is not applicable to an
17 employee receiving a term annuity.

18 (c) To help defray the cost of such increases in annuity,
19 there shall be deducted, beginning September 1, 1967, from each
20 payment of salary to a policeman, 1/2 of 1% of each salary
21 payment concurrently with and in addition to the salary
22 deductions otherwise made for annuity purposes.

23 The city, in addition to the contributions otherwise made
24 by it for annuity purposes under other provisions of this
25 Article, shall make matching contributions concurrently with
26 such salary deductions.

1 Each such 1/2 of 1% deduction from salary and each such
2 contribution by the city of 1/2 of 1% of salary shall be
3 credited to the Automatic Increase Reserve, to be used to
4 defray the cost of the annuity increase provided by this
5 Section. Any balance in such reserve as of the beginning of
6 each calendar year shall be credited with interest at the rate
7 of 3% per annum.

8 Such deductions from salary and city contributions shall
9 continue while the policeman is in service.

10 The salary deductions provided in this Section are not
11 subject to refund, except to the policeman himself, in any case
12 in which: (i) the policeman withdraws prior to qualification
13 for minimum annuity or Tier 2 monthly retirement annuity and
14 applies for refund, (ii) the policeman applies for an annuity
15 of a type that is not subject to annual increases under this
16 Section, or (iii) a term annuity becomes payable. In such
17 cases, the total of such salary deductions shall be refunded to
18 the policeman, without interest, and charged to the Automatic
19 Increase Reserve.

20 (d) Notwithstanding any other provision of this Article,
21 the Tier 2 monthly retirement annuity of a person who first
22 becomes a policeman under this Article on or after the
23 effective date of this amendatory Act of the 97th General
24 Assembly shall be increased on the January 1 occurring either
25 on or after (i) the attainment of age 60 or (ii) the first
26 anniversary of the annuity start date, whichever is later. Each

1 annual increase shall be calculated at 3% or one-half the
2 annual unadjusted percentage increase (but not less than zero)
3 in the consumer price index-u for the 12 months ending with the
4 September preceding each November 1, whichever is less, of the
5 originally granted retirement annuity. If the annual
6 unadjusted percentage change in the consumer price index-u for
7 a 12-month period ending in September is zero or, when compared
8 with the preceding period, decreases, then the annuity shall
9 not be increased.

10 For the purposes of this subsection (d), "consumer price
11 index-u" means the index published by the Bureau of Labor
12 Statistics of the United States Department of Labor that
13 measures the average change in prices of goods and services
14 purchased by all urban consumers, United States city average,
15 all items, 1982-84 = 100. The new amount resulting from each
16 annual adjustment shall be determined by the Public Pension
17 Division of the Department of Insurance and made available to
18 the boards of the pension funds by November 1 of each year.

19 (Source: P.A. 99-905, eff. 11-29-16.)

20 (40 ILCS 5/6-164) (from Ch. 108 1/2, par. 6-164)

21 Sec. 6-164. Automatic annual increase; retirement after
22 September 1, 1959.

23 (a) A fireman qualifying for a minimum annuity who retires
24 from service after September 1, 1959 shall, upon either the
25 first of the month following the first anniversary of his date

1 of retirement if he is ~~age 60~~ (age 55 ~~if born before January 1,~~
2 ~~1966~~) or over on that anniversary date, or upon the first of
3 the month following his attainment of ~~age 60~~ (age 55 ~~if born~~
4 ~~before January 1, 1966~~) if that occurs after the first
5 anniversary of his retirement date, have his then fixed and
6 payable monthly annuity increased by 1 1/2%, and such first
7 fixed annuity as granted at retirement increased by an
8 additional 1 1/2% in January of each year thereafter up to a
9 maximum increase of 30%. Beginning July 1, 1982 for firemen
10 born before January 1, 1930, and beginning January 1, 1990 for
11 firemen born after December 31, 1929 and before January 1,
12 1940, and beginning January 1, 1996 for firemen born after
13 December 31, 1939 but before January 1, 1945, and beginning
14 January 1, 2004, for firemen born after December 31, 1944 but
15 before January 1, 1955, and beginning January 1, 2017, for
16 firemen born after December 31, 1954 ~~but before January 1,~~
17 ~~1966~~, such increases shall be 3% and such firemen shall not be
18 subject to the 30% maximum increase.

19 Any fireman born before January 1, 1945 who qualifies for a
20 minimum annuity and retires after September 1, 1967 but has not
21 received the initial increase under this subsection before
22 January 1, 1996 is entitled to receive the initial increase
23 under this subsection on (1) January 1, 1996, (2) the first
24 anniversary of the date of retirement, or (3) attainment of age
25 55, whichever occurs last. The changes to this Section made by
26 this amendatory Act of 1995 apply beginning January 1, 1996 and

1 apply without regard to whether the fireman or annuitant
2 terminated service before the effective date of this amendatory
3 Act of 1995.

4 Any fireman born before January 1, 1955 who qualifies for a
5 minimum annuity and retires after September 1, 1967 but has not
6 received the initial increase under this subsection before
7 January 1, 2004 is entitled to receive the initial increase
8 under this subsection on (1) January 1, 2004, (2) the first
9 anniversary of the date of retirement, or (3) attainment of age
10 55, whichever occurs last. The changes to this Section made by
11 this amendatory Act of the 93rd General Assembly apply without
12 regard to whether the fireman or annuitant terminated service
13 before the effective date of this amendatory Act.

14 Any fireman born after December 31, 1954 ~~but before January~~
15 ~~1, 1966~~ who qualifies for a minimum annuity and retires after
16 September 1, 1967 is entitled to receive an increase under this
17 subsection on (1) January 1, 2017, (2) the first anniversary of
18 the date of retirement, or (3) attainment of age 55, whichever
19 occurs last, in an amount equal to an increase of 3% of his
20 then fixed and payable monthly annuity upon the first of the
21 month following the first anniversary of his date of retirement
22 if he is age 55 or over on that anniversary date or upon the
23 first of the month following his attainment of age 55 if that
24 date occurs after the first anniversary of his retirement date
25 and such first fixed annuity as granted at retirement shall be
26 increased by an additional 3% in January of each year

1 thereafter. In the case of a fireman ~~born after December 31,~~
2 ~~1954 but before January 1, 1966~~ who received an increase in any
3 year of 1.5%, that fireman shall receive an increase for any
4 such year so that the total increase is equal to 3% for each
5 year the fireman would have been otherwise eligible had the
6 fireman not received any increase. The changes to this
7 subsection made by this amendatory Act of the 99th General
8 Assembly apply without regard to whether the fireman or
9 annuitant terminated service before the effective date of this
10 amendatory Act. The changes to this subsection made by this
11 amendatory Act of the 100th General Assembly are a declaration
12 of existing law and shall not be construed as a new enactment.

13 The changes to this subsection made by this amendatory Act
14 of the 100th General Assembly apply without regard to whether
15 the fireman or annuitant terminated service before the
16 effective date of this amendatory Act of the 100th General
17 Assembly.

18 (b) Subsection (a) of this Section is not applicable to an
19 employee receiving a term annuity.

20 (c) To help defray the cost of such increases in annuity,
21 there shall be deducted, beginning September 1, 1959, from each
22 payment of salary to a fireman, 1/8 of 1% of each such salary
23 payment and an additional 1/8 of 1% beginning on September 1,
24 1961, and September 1, 1963, respectively, concurrently with
25 and in addition to the salary deductions otherwise made for
26 annuity purposes.

1 Each such additional 1/8 of 1% deduction from salary which
2 shall, on September 1, 1963, result in a total increase of 3/8
3 of 1% of salary, shall be credited to the Automatic Increase
4 Reserve, to be used, together with city contributions as
5 provided in this Article, to defray the cost of the annuity
6 increments specified in this Section. Any balance in such
7 reserve as of the beginning of each calendar year shall be
8 credited with interest at the rate of 3% per annum.

9 The salary deductions provided in this Section are not
10 subject to refund, except to the fireman himself in any case in
11 which: (i) the fireman withdraws prior to qualification for
12 minimum annuity or Tier 2 monthly retirement annuity and
13 applies for refund, (ii) the fireman applies for an annuity of
14 a type that is not subject to annual increases under this
15 Section, or (iii) a term annuity becomes payable. In such
16 cases, the total of such salary deductions shall be refunded to
17 the fireman, without interest, and charged to the
18 aforementioned reserve.

19 (d) Notwithstanding any other provision of this Article,
20 the Tier 2 monthly retirement annuity of a person who first
21 becomes a fireman under this Article on or after January 1,
22 2011 shall be increased on the January 1 occurring either on or
23 after (i) the attainment of age 60 or (ii) the first
24 anniversary of the annuity start date, whichever is later. Each
25 annual increase shall be calculated at 3% or one-half the
26 annual unadjusted percentage increase (but not less than zero)

1 in the consumer price index-u for the 12 months ending with the
2 September preceding each November 1, whichever is less, of the
3 originally granted retirement annuity. If the annual
4 unadjusted percentage change in the consumer price index-u for
5 a 12-month period ending in September is zero or, when compared
6 with the preceding period, decreases, then the annuity shall
7 not be increased.

8 For the purposes of this subsection (d), "consumer price
9 index-u" means the index published by the Bureau of Labor
10 Statistics of the United States Department of Labor that
11 measures the average change in prices of goods and services
12 purchased by all urban consumers, United States city average,
13 all items, 1982-84 = 100. The new amount resulting from each
14 annual adjustment shall be determined by the Public Pension
15 Division of the Department of Insurance and made available to
16 the boards of the pension funds by November 1 of each year.

17 (Source: P.A. 99-905, eff. 11-29-16; 100-23, eff. 7-6-17;
18 100-539, eff. 11-7-17.)

19 Section 90. The State Mandates Act is amended by adding
20 Section 8.42 as follows:

21 (30 ILCS 805/8.42 new)

22 Sec. 8.42. Exempt mandate. Notwithstanding Sections 6 and 8
23 of this Act, no reimbursement by the State is required for the
24 implementation of any mandate created by this amendatory Act of

1 the 100th General Assembly.

2 Section 99. Effective date. This Act takes effect upon
3 becoming law.".