



Sen. Robert F. Martwick

Filed: 5/16/2023

10300HB2352sam003

LRB103 27717 RPS 62053 a

1 AMENDMENT TO HOUSE BILL 2352

2 AMENDMENT NO. _____. Amend House Bill 2352, AS AMENDED,
3 by replacing everything after the enacting clause with the
4 following:

5 "Section 5. The Illinois Pension Code is amended by
6 changing Sections 1-160, 9-169, 9-179.1, 9-184, 9-185, 9-195,
7 and 9-199 and by adding Sections 9-169.1, 9-169.2, and 9-240
8 as follows:

9 (40 ILCS 5/1-160)

10 (Text of Section from P.A. 102-719)

11 Sec. 1-160. Provisions applicable to new hires.

12 (a) The provisions of this Section apply to a person who,
13 on or after January 1, 2011, first becomes a member or a
14 participant under any reciprocal retirement system or pension
15 fund established under this Code, other than a retirement
16 system or pension fund established under Article 2, 3, 4, 5, 6,

1 7, 15, or 18 of this Code, notwithstanding any other provision
2 of this Code to the contrary, but do not apply to any
3 self-managed plan established under this Code or to any
4 participant of the retirement plan established under Section
5 22-101; except that this Section applies to a person who
6 elected to establish alternative credits by electing in
7 writing after January 1, 2011, but before August 8, 2011,
8 under Section 7-145.1 of this Code. Notwithstanding anything
9 to the contrary in this Section, for purposes of this Section,
10 a person who is a Tier 1 regular employee as defined in Section
11 7-109.4 of this Code or who participated in a retirement
12 system under Article 15 prior to January 1, 2011 shall be
13 deemed a person who first became a member or participant prior
14 to January 1, 2011 under any retirement system or pension fund
15 subject to this Section. The changes made to this Section by
16 Public Act 98-596 are a clarification of existing law and are
17 intended to be retroactive to January 1, 2011 (the effective
18 date of Public Act 96-889), notwithstanding the provisions of
19 Section 1-103.1 of this Code.

20 This Section does not apply to a person who first becomes a
21 noncovered employee under Article 14 on or after the
22 implementation date of the plan created under Section 1-161
23 for that Article, unless that person elects under subsection
24 (b) of Section 1-161 to instead receive the benefits provided
25 under this Section and the applicable provisions of that
26 Article.

1 This Section does not apply to a person who first becomes a
2 member or participant under Article 16 on or after the
3 implementation date of the plan created under Section 1-161
4 for that Article, unless that person elects under subsection
5 (b) of Section 1-161 to instead receive the benefits provided
6 under this Section and the applicable provisions of that
7 Article.

8 This Section does not apply to a person who elects under
9 subsection (c-5) of Section 1-161 to receive the benefits
10 under Section 1-161.

11 This Section does not apply to a person who first becomes a
12 member or participant of an affected pension fund on or after 6
13 months after the resolution or ordinance date, as defined in
14 Section 1-162, unless that person elects under subsection (c)
15 of Section 1-162 to receive the benefits provided under this
16 Section and the applicable provisions of the Article under
17 which he or she is a member or participant.

18 (b) "Final average salary" means, except as otherwise
19 provided in this subsection, the average monthly (or annual)
20 salary obtained by dividing the total salary or earnings
21 calculated under the Article applicable to the member or
22 participant during the 96 consecutive months (or 8 consecutive
23 years) of service within the last 120 months (or 10 years) of
24 service in which the total salary or earnings calculated under
25 the applicable Article was the highest by the number of months
26 (or years) of service in that period. For the purposes of a

1 person who first becomes a member or participant of any
2 retirement system or pension fund to which this Section
3 applies on or after January 1, 2011, in this Code, "final
4 average salary" shall be substituted for the following:

5 (1) (Blank).

6 (2) In Articles 8, 9, 10, 11, and 12, "highest average
7 annual salary for any 4 consecutive years within the last
8 10 years of service immediately preceding the date of
9 withdrawal".

10 (3) In Article 13, "average final salary".

11 (4) In Article 14, "final average compensation".

12 (5) In Article 17, "average salary".

13 (6) In Section 22-207, "wages or salary received by
14 him at the date of retirement or discharge".

15 A member of the Teachers' Retirement System of the State
16 of Illinois who retires on or after June 1, 2021 and for whom
17 the 2020-2021 school year is used in the calculation of the
18 member's final average salary shall use the higher of the
19 following for the purpose of determining the member's final
20 average salary:

21 (A) the amount otherwise calculated under the first
22 paragraph of this subsection; or

23 (B) an amount calculated by the Teachers' Retirement
24 System of the State of Illinois using the average of the
25 monthly (or annual) salary obtained by dividing the total
26 salary or earnings calculated under Article 16 applicable

1 to the member or participant during the 96 months (or 8
2 years) of service within the last 120 months (or 10 years)
3 of service in which the total salary or earnings
4 calculated under the Article was the highest by the number
5 of months (or years) of service in that period.

6 (b-5) Beginning on January 1, 2011, for all purposes under
7 this Code (including without limitation the calculation of
8 benefits and employee contributions), the annual earnings,
9 salary, or wages (based on the plan year) of a member or
10 participant to whom this Section applies shall not exceed
11 \$106,800; however, that amount shall annually thereafter be
12 increased by the lesser of (i) 3% of that amount, including all
13 previous adjustments, or (ii) one-half the annual unadjusted
14 percentage increase (but not less than zero) in the consumer
15 price index-u for the 12 months ending with the September
16 preceding each November 1, including all previous adjustments.

17 For the purposes of this Section, "consumer price index-u"
18 means the index published by the Bureau of Labor Statistics of
19 the United States Department of Labor that measures the
20 average change in prices of goods and services purchased by
21 all urban consumers, United States city average, all items,
22 1982-84 = 100. The new amount resulting from each annual
23 adjustment shall be determined by the Public Pension Division
24 of the Department of Insurance and made available to the
25 boards of the retirement systems and pension funds by November
26 1 of each year.

1 (b-10) Beginning on January 1, 2024, for all purposes
2 under this Code (including, without limitation, the
3 calculation of benefits and employee contributions), the
4 annual earnings, salary, or wages (based on the plan year) of a
5 member or participant under Article 9 to whom this Section
6 applies shall include an annual earnings, salary, or wage cap
7 that tracks the Social Security wage base. Maximum annual
8 earnings, wages, or salary shall be the annual contribution
9 and benefit base established for the applicable year by the
10 Commissioner of the Social Security Administration under the
11 federal Social Security Act.

12 However, in no event shall the annual earnings, salary, or
13 wages for the purposes of this Article and Article 9 exceed any
14 limitation imposed on annual earnings, salary, or wages under
15 Section 1-117. Under no circumstances shall the maximum amount
16 of annual earnings, salary, or wages be greater than the
17 amount set forth in this subsection (b-10) as a result of
18 reciprocal service or any provisions regarding reciprocal
19 services, nor shall the Fund under Article 9 be required to pay
20 any refund as a result of the application of this maximum
21 annual earnings, salary, and wage cap.

22 Nothing in this subsection (b-10) shall cause or otherwise
23 result in any retroactive adjustment of any employee
24 contributions. Nothing in this subsection (b-10) shall cause
25 or otherwise result in any retroactive adjustment of
26 disability or other payments made between January 1, 2011 and

1 January 1, 2024.

2 (c) A member or participant is entitled to a retirement
3 annuity upon written application if he or she has attained age
4 67 (age 65, with respect to service under Article 12 that is
5 subject to this Section, for a member or participant under
6 Article 12 who first becomes a member or participant under
7 Article 12 on or after January 1, 2022 or who makes the
8 election under item (i) of subsection (d-15) of this Section)
9 and has at least 10 years of service credit and is otherwise
10 eligible under the requirements of the applicable Article.

11 A member or participant who has attained age 62 (age 60,
12 with respect to service under Article 12 that is subject to
13 this Section, for a member or participant under Article 12 who
14 first becomes a member or participant under Article 12 on or
15 after January 1, 2022 or who makes the election under item (i)
16 of subsection (d-15) of this Section) and has at least 10 years
17 of service credit and is otherwise eligible under the
18 requirements of the applicable Article may elect to receive
19 the lower retirement annuity provided in subsection (d) of
20 this Section.

21 (c-5) A person who first becomes a member or a participant
22 subject to this Section on or after July 6, 2017 (the effective
23 date of Public Act 100-23), notwithstanding any other
24 provision of this Code to the contrary, is entitled to a
25 retirement annuity under Article 8 or Article 11 upon written
26 application if he or she has attained age 65 and has at least

1 10 years of service credit and is otherwise eligible under the
2 requirements of Article 8 or Article 11 of this Code,
3 whichever is applicable.

4 (d) The retirement annuity of a member or participant who
5 is retiring after attaining age 62 (age 60, with respect to
6 service under Article 12 that is subject to this Section, for a
7 member or participant under Article 12 who first becomes a
8 member or participant under Article 12 on or after January 1,
9 2022 or who makes the election under item (i) of subsection
10 (d-15) of this Section) with at least 10 years of service
11 credit shall be reduced by one-half of 1% for each full month
12 that the member's age is under age 67 (age 65, with respect to
13 service under Article 12 that is subject to this Section, for a
14 member or participant under Article 12 who first becomes a
15 member or participant under Article 12 on or after January 1,
16 2022 or who makes the election under item (i) of subsection
17 (d-15) of this Section).

18 (d-5) The retirement annuity payable under Article 8 or
19 Article 11 to an eligible person subject to subsection (c-5)
20 of this Section who is retiring at age 60 with at least 10
21 years of service credit shall be reduced by one-half of 1% for
22 each full month that the member's age is under age 65.

23 (d-10) Each person who first became a member or
24 participant under Article 8 or Article 11 of this Code on or
25 after January 1, 2011 and prior to July 6, 2017 (the effective
26 date of Public Act 100-23) shall make an irrevocable election

1 either:

2 (i) to be eligible for the reduced retirement age
3 provided in subsections (c-5) and (d-5) of this Section,
4 the eligibility for which is conditioned upon the member
5 or participant agreeing to the increases in employee
6 contributions for age and service annuities provided in
7 subsection (a-5) of Section 8-174 of this Code (for
8 service under Article 8) or subsection (a-5) of Section
9 11-170 of this Code (for service under Article 11); or

10 (ii) to not agree to item (i) of this subsection
11 (d-10), in which case the member or participant shall
12 continue to be subject to the retirement age provisions in
13 subsections (c) and (d) of this Section and the employee
14 contributions for age and service annuity as provided in
15 subsection (a) of Section 8-174 of this Code (for service
16 under Article 8) or subsection (a) of Section 11-170 of
17 this Code (for service under Article 11).

18 The election provided for in this subsection shall be made
19 between October 1, 2017 and November 15, 2017. A person
20 subject to this subsection who makes the required election
21 shall remain bound by that election. A person subject to this
22 subsection who fails for any reason to make the required
23 election within the time specified in this subsection shall be
24 deemed to have made the election under item (ii).

25 (d-15) Each person who first becomes a member or
26 participant under Article 12 on or after January 1, 2011 and

1 prior to January 1, 2022 shall make an irrevocable election
2 either:

3 (i) to be eligible for the reduced retirement age
4 specified in subsections (c) and (d) of this Section, the
5 eligibility for which is conditioned upon the member or
6 participant agreeing to the increase in employee
7 contributions for service annuities specified in
8 subsection (b) of Section 12-150; or

9 (ii) to not agree to item (i) of this subsection
10 (d-15), in which case the member or participant shall not
11 be eligible for the reduced retirement age specified in
12 subsections (c) and (d) of this Section and shall not be
13 subject to the increase in employee contributions for
14 service annuities specified in subsection (b) of Section
15 12-150.

16 The election provided for in this subsection shall be made
17 between January 1, 2022 and April 1, 2022. A person subject to
18 this subsection who makes the required election shall remain
19 bound by that election. A person subject to this subsection
20 who fails for any reason to make the required election within
21 the time specified in this subsection shall be deemed to have
22 made the election under item (ii).

23 (e) Any retirement annuity or supplemental annuity shall
24 be subject to annual increases on the January 1 occurring
25 either on or after the attainment of age 67 (age 65, with
26 respect to service under Article 12 that is subject to this

1 Section, for a member or participant under Article 12 who
2 first becomes a member or participant under Article 12 on or
3 after January 1, 2022 or who makes the election under item (i)
4 of subsection (d-15); and beginning on July 6, 2017 (the
5 effective date of Public Act 100-23), age 65 with respect to
6 service under Article 8 or Article 11 for eligible persons
7 who: (i) are subject to subsection (c-5) of this Section; or
8 (ii) made the election under item (i) of subsection (d-10) of
9 this Section) or the first anniversary of the annuity start
10 date, whichever is later. Each annual increase shall be
11 calculated at 3% or one-half the annual unadjusted percentage
12 increase (but not less than zero) in the consumer price
13 index-u for the 12 months ending with the September preceding
14 each November 1, whichever is less, of the originally granted
15 retirement annuity. If the annual unadjusted percentage change
16 in the consumer price index-u for the 12 months ending with the
17 September preceding each November 1 is zero or there is a
18 decrease, then the annuity shall not be increased.

19 For the purposes of Section 1-103.1 of this Code, the
20 changes made to this Section by Public Act 102-263 are
21 applicable without regard to whether the employee was in
22 active service on or after August 6, 2021 (the effective date
23 of Public Act 102-263).

24 For the purposes of Section 1-103.1 of this Code, the
25 changes made to this Section by Public Act 100-23 are
26 applicable without regard to whether the employee was in

1 active service on or after July 6, 2017 (the effective date of
2 Public Act 100-23).

3 (f) The initial survivor's or widow's annuity of an
4 otherwise eligible survivor or widow of a retired member or
5 participant who first became a member or participant on or
6 after January 1, 2011 shall be in the amount of 66 2/3% of the
7 retired member's or participant's retirement annuity at the
8 date of death. In the case of the death of a member or
9 participant who has not retired and who first became a member
10 or participant on or after January 1, 2011, eligibility for a
11 survivor's or widow's annuity shall be determined by the
12 applicable Article of this Code. The initial benefit shall be
13 66 2/3% of the earned annuity without a reduction due to age. A
14 child's annuity of an otherwise eligible child shall be in the
15 amount prescribed under each Article if applicable. Any
16 survivor's or widow's annuity shall be increased (1) on each
17 January 1 occurring on or after the commencement of the
18 annuity if the deceased member died while receiving a
19 retirement annuity or (2) in other cases, on each January 1
20 occurring after the first anniversary of the commencement of
21 the annuity. Each annual increase shall be calculated at 3% or
22 one-half the annual unadjusted percentage increase (but not
23 less than zero) in the consumer price index-u for the 12 months
24 ending with the September preceding each November 1, whichever
25 is less, of the originally granted survivor's annuity. If the
26 annual unadjusted percentage change in the consumer price

1 index-u for the 12 months ending with the September preceding
2 each November 1 is zero or there is a decrease, then the
3 annuity shall not be increased.

4 (g) The benefits in Section 14-110 apply if the person is a
5 fire fighter in the fire protection service of a department, a
6 security employee of the Department of Corrections or the
7 Department of Juvenile Justice, or a security employee of the
8 Department of Innovation and Technology, as those terms are
9 defined in subsection (b) and subsection (c) of Section
10 14-110. A person who meets the requirements of this Section is
11 entitled to an annuity calculated under the provisions of
12 Section 14-110, in lieu of the regular or minimum retirement
13 annuity, only if the person has withdrawn from service with
14 not less than 20 years of eligible creditable service and has
15 attained age 60, regardless of whether the attainment of age
16 60 occurs while the person is still in service.

17 (g-5) The benefits in Section 14-110 apply if the person
18 is a State policeman, investigator for the Secretary of State,
19 conservation police officer, investigator for the Department
20 of Revenue or the Illinois Gaming Board, investigator for the
21 Office of the Attorney General, Commerce Commission police
22 officer, or arson investigator, as those terms are defined in
23 subsection (b) and subsection (c) of Section 14-110. A person
24 who meets the requirements of this Section is entitled to an
25 annuity calculated under the provisions of Section 14-110, in
26 lieu of the regular or minimum retirement annuity, only if the

1 person has withdrawn from service with not less than 20 years
2 of eligible creditable service and has attained age 55,
3 regardless of whether the attainment of age 55 occurs while
4 the person is still in service.

5 (h) If a person who first becomes a member or a participant
6 of a retirement system or pension fund subject to this Section
7 on or after January 1, 2011 is receiving a retirement annuity
8 or retirement pension under that system or fund and becomes a
9 member or participant under any other system or fund created
10 by this Code and is employed on a full-time basis, except for
11 those members or participants exempted from the provisions of
12 this Section under subsection (a) of this Section, then the
13 person's retirement annuity or retirement pension under that
14 system or fund shall be suspended during that employment. Upon
15 termination of that employment, the person's retirement
16 annuity or retirement pension payments shall resume and be
17 recalculated if recalculation is provided for under the
18 applicable Article of this Code.

19 If a person who first becomes a member of a retirement
20 system or pension fund subject to this Section on or after
21 January 1, 2012 and is receiving a retirement annuity or
22 retirement pension under that system or fund and accepts on a
23 contractual basis a position to provide services to a
24 governmental entity from which he or she has retired, then
25 that person's annuity or retirement pension earned as an
26 active employee of the employer shall be suspended during that

1 contractual service. A person receiving an annuity or
2 retirement pension under this Code shall notify the pension
3 fund or retirement system from which he or she is receiving an
4 annuity or retirement pension, as well as his or her
5 contractual employer, of his or her retirement status before
6 accepting contractual employment. A person who fails to submit
7 such notification shall be guilty of a Class A misdemeanor and
8 required to pay a fine of \$1,000. Upon termination of that
9 contractual employment, the person's retirement annuity or
10 retirement pension payments shall resume and, if appropriate,
11 be recalculated under the applicable provisions of this Code.

12 (i) (Blank).

13 (j) In the case of a conflict between the provisions of
14 this Section and any other provision of this Code, the
15 provisions of this Section shall control.

16 (Source: P.A. 101-610, eff. 1-1-20; 102-16, eff. 6-17-21;
17 102-210, eff. 1-1-22; 102-263, eff. 8-6-21; 102-719, eff.
18 5-6-22.)

19 (Text of Section from P.A. 102-813)

20 Sec. 1-160. Provisions applicable to new hires.

21 (a) The provisions of this Section apply to a person who,
22 on or after January 1, 2011, first becomes a member or a
23 participant under any reciprocal retirement system or pension
24 fund established under this Code, other than a retirement
25 system or pension fund established under Article 2, 3, 4, 5, 6,

1 7, 15, or 18 of this Code, notwithstanding any other provision
2 of this Code to the contrary, but do not apply to any
3 self-managed plan established under this Code or to any
4 participant of the retirement plan established under Section
5 22-101; except that this Section applies to a person who
6 elected to establish alternative credits by electing in
7 writing after January 1, 2011, but before August 8, 2011,
8 under Section 7-145.1 of this Code. Notwithstanding anything
9 to the contrary in this Section, for purposes of this Section,
10 a person who is a Tier 1 regular employee as defined in Section
11 7-109.4 of this Code or who participated in a retirement
12 system under Article 15 prior to January 1, 2011 shall be
13 deemed a person who first became a member or participant prior
14 to January 1, 2011 under any retirement system or pension fund
15 subject to this Section. The changes made to this Section by
16 Public Act 98-596 are a clarification of existing law and are
17 intended to be retroactive to January 1, 2011 (the effective
18 date of Public Act 96-889), notwithstanding the provisions of
19 Section 1-103.1 of this Code.

20 This Section does not apply to a person who first becomes a
21 noncovered employee under Article 14 on or after the
22 implementation date of the plan created under Section 1-161
23 for that Article, unless that person elects under subsection
24 (b) of Section 1-161 to instead receive the benefits provided
25 under this Section and the applicable provisions of that
26 Article.

1 This Section does not apply to a person who first becomes a
2 member or participant under Article 16 on or after the
3 implementation date of the plan created under Section 1-161
4 for that Article, unless that person elects under subsection
5 (b) of Section 1-161 to instead receive the benefits provided
6 under this Section and the applicable provisions of that
7 Article.

8 This Section does not apply to a person who elects under
9 subsection (c-5) of Section 1-161 to receive the benefits
10 under Section 1-161.

11 This Section does not apply to a person who first becomes a
12 member or participant of an affected pension fund on or after 6
13 months after the resolution or ordinance date, as defined in
14 Section 1-162, unless that person elects under subsection (c)
15 of Section 1-162 to receive the benefits provided under this
16 Section and the applicable provisions of the Article under
17 which he or she is a member or participant.

18 (b) "Final average salary" means, except as otherwise
19 provided in this subsection, the average monthly (or annual)
20 salary obtained by dividing the total salary or earnings
21 calculated under the Article applicable to the member or
22 participant during the 96 consecutive months (or 8 consecutive
23 years) of service within the last 120 months (or 10 years) of
24 service in which the total salary or earnings calculated under
25 the applicable Article was the highest by the number of months
26 (or years) of service in that period. For the purposes of a

1 person who first becomes a member or participant of any
2 retirement system or pension fund to which this Section
3 applies on or after January 1, 2011, in this Code, "final
4 average salary" shall be substituted for the following:

5 (1) (Blank).

6 (2) In Articles 8, 9, 10, 11, and 12, "highest average
7 annual salary for any 4 consecutive years within the last
8 10 years of service immediately preceding the date of
9 withdrawal".

10 (3) In Article 13, "average final salary".

11 (4) In Article 14, "final average compensation".

12 (5) In Article 17, "average salary".

13 (6) In Section 22-207, "wages or salary received by
14 him at the date of retirement or discharge".

15 A member of the Teachers' Retirement System of the State
16 of Illinois who retires on or after June 1, 2021 and for whom
17 the 2020-2021 school year is used in the calculation of the
18 member's final average salary shall use the higher of the
19 following for the purpose of determining the member's final
20 average salary:

21 (A) the amount otherwise calculated under the first
22 paragraph of this subsection; or

23 (B) an amount calculated by the Teachers' Retirement
24 System of the State of Illinois using the average of the
25 monthly (or annual) salary obtained by dividing the total
26 salary or earnings calculated under Article 16 applicable

1 to the member or participant during the 96 months (or 8
2 years) of service within the last 120 months (or 10 years)
3 of service in which the total salary or earnings
4 calculated under the Article was the highest by the number
5 of months (or years) of service in that period.

6 (b-5) Beginning on January 1, 2011, for all purposes under
7 this Code (including without limitation the calculation of
8 benefits and employee contributions), the annual earnings,
9 salary, or wages (based on the plan year) of a member or
10 participant to whom this Section applies shall not exceed
11 \$106,800; however, that amount shall annually thereafter be
12 increased by the lesser of (i) 3% of that amount, including all
13 previous adjustments, or (ii) one-half the annual unadjusted
14 percentage increase (but not less than zero) in the consumer
15 price index-u for the 12 months ending with the September
16 preceding each November 1, including all previous adjustments.

17 For the purposes of this Section, "consumer price index-u"
18 means the index published by the Bureau of Labor Statistics of
19 the United States Department of Labor that measures the
20 average change in prices of goods and services purchased by
21 all urban consumers, United States city average, all items,
22 1982-84 = 100. The new amount resulting from each annual
23 adjustment shall be determined by the Public Pension Division
24 of the Department of Insurance and made available to the
25 boards of the retirement systems and pension funds by November
26 1 of each year.

1 (b-10) Beginning on January 1, 2024, for all purposes
2 under this Code (including, without limitation, the
3 calculation of benefits and employee contributions), the
4 annual earnings, salary, or wages (based on the plan year) of a
5 member or participant under Article 9 to whom this Section
6 applies shall include an annual earnings, salary, or wage cap
7 that tracks the Social Security wage base. Maximum annual
8 earnings, wages, or salary shall be the annual contribution
9 and benefit base established for the applicable year by the
10 Commissioner of the Social Security Administration under the
11 federal Social Security Act.

12 However, in no event shall the annual earnings, salary, or
13 wages for the purposes of this Article and Article 9 exceed any
14 limitation imposed on annual earnings, salary, or wages under
15 Section 1-117. Under no circumstances shall the maximum amount
16 of annual earnings, salary, or wages be greater than the
17 amount set forth in this subsection (b-10) as a result of
18 reciprocal service or any provisions regarding reciprocal
19 services, nor shall the Fund under Article 9 be required to pay
20 any refund as a result of the application of this maximum
21 annual earnings, salary, and wage cap.

22 Nothing in this subsection (b-10) shall cause or otherwise
23 result in any retroactive adjustment of any employee
24 contributions. Nothing in this subsection (b-10) shall cause
25 or otherwise result in any retroactive adjustment of
26 disability or other payments made between January 1, 2011 and

1 January 1, 2024.

2 (c) A member or participant is entitled to a retirement
3 annuity upon written application if he or she has attained age
4 67 (age 65, with respect to service under Article 12 that is
5 subject to this Section, for a member or participant under
6 Article 12 who first becomes a member or participant under
7 Article 12 on or after January 1, 2022 or who makes the
8 election under item (i) of subsection (d-15) of this Section)
9 and has at least 10 years of service credit and is otherwise
10 eligible under the requirements of the applicable Article.

11 A member or participant who has attained age 62 (age 60,
12 with respect to service under Article 12 that is subject to
13 this Section, for a member or participant under Article 12 who
14 first becomes a member or participant under Article 12 on or
15 after January 1, 2022 or who makes the election under item (i)
16 of subsection (d-15) of this Section) and has at least 10 years
17 of service credit and is otherwise eligible under the
18 requirements of the applicable Article may elect to receive
19 the lower retirement annuity provided in subsection (d) of
20 this Section.

21 (c-5) A person who first becomes a member or a participant
22 subject to this Section on or after July 6, 2017 (the effective
23 date of Public Act 100-23), notwithstanding any other
24 provision of this Code to the contrary, is entitled to a
25 retirement annuity under Article 8 or Article 11 upon written
26 application if he or she has attained age 65 and has at least

1 10 years of service credit and is otherwise eligible under the
2 requirements of Article 8 or Article 11 of this Code,
3 whichever is applicable.

4 (d) The retirement annuity of a member or participant who
5 is retiring after attaining age 62 (age 60, with respect to
6 service under Article 12 that is subject to this Section, for a
7 member or participant under Article 12 who first becomes a
8 member or participant under Article 12 on or after January 1,
9 2022 or who makes the election under item (i) of subsection
10 (d-15) of this Section) with at least 10 years of service
11 credit shall be reduced by one-half of 1% for each full month
12 that the member's age is under age 67 (age 65, with respect to
13 service under Article 12 that is subject to this Section, for a
14 member or participant under Article 12 who first becomes a
15 member or participant under Article 12 on or after January 1,
16 2022 or who makes the election under item (i) of subsection
17 (d-15) of this Section).

18 (d-5) The retirement annuity payable under Article 8 or
19 Article 11 to an eligible person subject to subsection (c-5)
20 of this Section who is retiring at age 60 with at least 10
21 years of service credit shall be reduced by one-half of 1% for
22 each full month that the member's age is under age 65.

23 (d-10) Each person who first became a member or
24 participant under Article 8 or Article 11 of this Code on or
25 after January 1, 2011 and prior to July 6, 2017 (the effective
26 date of Public Act 100-23) shall make an irrevocable election

1 either:

2 (i) to be eligible for the reduced retirement age
3 provided in subsections (c-5) and (d-5) of this Section,
4 the eligibility for which is conditioned upon the member
5 or participant agreeing to the increases in employee
6 contributions for age and service annuities provided in
7 subsection (a-5) of Section 8-174 of this Code (for
8 service under Article 8) or subsection (a-5) of Section
9 11-170 of this Code (for service under Article 11); or

10 (ii) to not agree to item (i) of this subsection
11 (d-10), in which case the member or participant shall
12 continue to be subject to the retirement age provisions in
13 subsections (c) and (d) of this Section and the employee
14 contributions for age and service annuity as provided in
15 subsection (a) of Section 8-174 of this Code (for service
16 under Article 8) or subsection (a) of Section 11-170 of
17 this Code (for service under Article 11).

18 The election provided for in this subsection shall be made
19 between October 1, 2017 and November 15, 2017. A person
20 subject to this subsection who makes the required election
21 shall remain bound by that election. A person subject to this
22 subsection who fails for any reason to make the required
23 election within the time specified in this subsection shall be
24 deemed to have made the election under item (ii).

25 (d-15) Each person who first becomes a member or
26 participant under Article 12 on or after January 1, 2011 and

1 prior to January 1, 2022 shall make an irrevocable election
2 either:

3 (i) to be eligible for the reduced retirement age
4 specified in subsections (c) and (d) of this Section, the
5 eligibility for which is conditioned upon the member or
6 participant agreeing to the increase in employee
7 contributions for service annuities specified in
8 subsection (b) of Section 12-150; or

9 (ii) to not agree to item (i) of this subsection
10 (d-15), in which case the member or participant shall not
11 be eligible for the reduced retirement age specified in
12 subsections (c) and (d) of this Section and shall not be
13 subject to the increase in employee contributions for
14 service annuities specified in subsection (b) of Section
15 12-150.

16 The election provided for in this subsection shall be made
17 between January 1, 2022 and April 1, 2022. A person subject to
18 this subsection who makes the required election shall remain
19 bound by that election. A person subject to this subsection
20 who fails for any reason to make the required election within
21 the time specified in this subsection shall be deemed to have
22 made the election under item (ii).

23 (e) Any retirement annuity or supplemental annuity shall
24 be subject to annual increases on the January 1 occurring
25 either on or after the attainment of age 67 (age 65, with
26 respect to service under Article 12 that is subject to this

1 Section, for a member or participant under Article 12 who
2 first becomes a member or participant under Article 12 on or
3 after January 1, 2022 or who makes the election under item (i)
4 of subsection (d-15); and beginning on July 6, 2017 (the
5 effective date of Public Act 100-23), age 65 with respect to
6 service under Article 8 or Article 11 for eligible persons
7 who: (i) are subject to subsection (c-5) of this Section; or
8 (ii) made the election under item (i) of subsection (d-10) of
9 this Section) or the first anniversary of the annuity start
10 date, whichever is later. Each annual increase shall be
11 calculated at 3% or one-half the annual unadjusted percentage
12 increase (but not less than zero) in the consumer price
13 index-u for the 12 months ending with the September preceding
14 each November 1, whichever is less, of the originally granted
15 retirement annuity. If the annual unadjusted percentage change
16 in the consumer price index-u for the 12 months ending with the
17 September preceding each November 1 is zero or there is a
18 decrease, then the annuity shall not be increased.

19 For the purposes of Section 1-103.1 of this Code, the
20 changes made to this Section by Public Act 102-263 are
21 applicable without regard to whether the employee was in
22 active service on or after August 6, 2021 (the effective date
23 of Public Act 102-263).

24 For the purposes of Section 1-103.1 of this Code, the
25 changes made to this Section by Public Act 100-23 are
26 applicable without regard to whether the employee was in

1 active service on or after July 6, 2017 (the effective date of
2 Public Act 100-23).

3 (f) The initial survivor's or widow's annuity of an
4 otherwise eligible survivor or widow of a retired member or
5 participant who first became a member or participant on or
6 after January 1, 2011 shall be in the amount of 66 2/3% of the
7 retired member's or participant's retirement annuity at the
8 date of death. In the case of the death of a member or
9 participant who has not retired and who first became a member
10 or participant on or after January 1, 2011, eligibility for a
11 survivor's or widow's annuity shall be determined by the
12 applicable Article of this Code. The initial benefit shall be
13 66 2/3% of the earned annuity without a reduction due to age. A
14 child's annuity of an otherwise eligible child shall be in the
15 amount prescribed under each Article if applicable. Any
16 survivor's or widow's annuity shall be increased (1) on each
17 January 1 occurring on or after the commencement of the
18 annuity if the deceased member died while receiving a
19 retirement annuity or (2) in other cases, on each January 1
20 occurring after the first anniversary of the commencement of
21 the annuity. Each annual increase shall be calculated at 3% or
22 one-half the annual unadjusted percentage increase (but not
23 less than zero) in the consumer price index-u for the 12 months
24 ending with the September preceding each November 1, whichever
25 is less, of the originally granted survivor's annuity. If the
26 annual unadjusted percentage change in the consumer price

1 index-u for the 12 months ending with the September preceding
2 each November 1 is zero or there is a decrease, then the
3 annuity shall not be increased.

4 (g) The benefits in Section 14-110 apply only if the
5 person is a State policeman, a fire fighter in the fire
6 protection service of a department, a conservation police
7 officer, an investigator for the Secretary of State, an arson
8 investigator, a Commerce Commission police officer,
9 investigator for the Department of Revenue or the Illinois
10 Gaming Board, a security employee of the Department of
11 Corrections or the Department of Juvenile Justice, or a
12 security employee of the Department of Innovation and
13 Technology, as those terms are defined in subsection (b) and
14 subsection (c) of Section 14-110. A person who meets the
15 requirements of this Section is entitled to an annuity
16 calculated under the provisions of Section 14-110, in lieu of
17 the regular or minimum retirement annuity, only if the person
18 has withdrawn from service with not less than 20 years of
19 eligible creditable service and has attained age 60,
20 regardless of whether the attainment of age 60 occurs while
21 the person is still in service.

22 (h) If a person who first becomes a member or a participant
23 of a retirement system or pension fund subject to this Section
24 on or after January 1, 2011 is receiving a retirement annuity
25 or retirement pension under that system or fund and becomes a
26 member or participant under any other system or fund created

1 by this Code and is employed on a full-time basis, except for
2 those members or participants exempted from the provisions of
3 this Section under subsection (a) of this Section, then the
4 person's retirement annuity or retirement pension under that
5 system or fund shall be suspended during that employment. Upon
6 termination of that employment, the person's retirement
7 annuity or retirement pension payments shall resume and be
8 recalculated if recalculation is provided for under the
9 applicable Article of this Code.

10 If a person who first becomes a member of a retirement
11 system or pension fund subject to this Section on or after
12 January 1, 2012 and is receiving a retirement annuity or
13 retirement pension under that system or fund and accepts on a
14 contractual basis a position to provide services to a
15 governmental entity from which he or she has retired, then
16 that person's annuity or retirement pension earned as an
17 active employee of the employer shall be suspended during that
18 contractual service. A person receiving an annuity or
19 retirement pension under this Code shall notify the pension
20 fund or retirement system from which he or she is receiving an
21 annuity or retirement pension, as well as his or her
22 contractual employer, of his or her retirement status before
23 accepting contractual employment. A person who fails to submit
24 such notification shall be guilty of a Class A misdemeanor and
25 required to pay a fine of \$1,000. Upon termination of that
26 contractual employment, the person's retirement annuity or

1 retirement pension payments shall resume and, if appropriate,
2 be recalculated under the applicable provisions of this Code.

3 (i) (Blank).

4 (j) In the case of a conflict between the provisions of
5 this Section and any other provision of this Code, the
6 provisions of this Section shall control.

7 (Source: P.A. 101-610, eff. 1-1-20; 102-16, eff. 6-17-21;
8 102-210, eff. 1-1-22; 102-263, eff. 8-6-21; 102-813, eff.
9 5-13-22.)

10 (Text of Section from P.A. 102-956)

11 Sec. 1-160. Provisions applicable to new hires.

12 (a) The provisions of this Section apply to a person who,
13 on or after January 1, 2011, first becomes a member or a
14 participant under any reciprocal retirement system or pension
15 fund established under this Code, other than a retirement
16 system or pension fund established under Article 2, 3, 4, 5, 6,
17 7, 15, or 18 of this Code, notwithstanding any other provision
18 of this Code to the contrary, but do not apply to any
19 self-managed plan established under this Code or to any
20 participant of the retirement plan established under Section
21 22-101; except that this Section applies to a person who
22 elected to establish alternative credits by electing in
23 writing after January 1, 2011, but before August 8, 2011,
24 under Section 7-145.1 of this Code. Notwithstanding anything
25 to the contrary in this Section, for purposes of this Section,

1 a person who is a Tier 1 regular employee as defined in Section
2 7-109.4 of this Code or who participated in a retirement
3 system under Article 15 prior to January 1, 2011 shall be
4 deemed a person who first became a member or participant prior
5 to January 1, 2011 under any retirement system or pension fund
6 subject to this Section. The changes made to this Section by
7 Public Act 98-596 are a clarification of existing law and are
8 intended to be retroactive to January 1, 2011 (the effective
9 date of Public Act 96-889), notwithstanding the provisions of
10 Section 1-103.1 of this Code.

11 This Section does not apply to a person who first becomes a
12 noncovered employee under Article 14 on or after the
13 implementation date of the plan created under Section 1-161
14 for that Article, unless that person elects under subsection
15 (b) of Section 1-161 to instead receive the benefits provided
16 under this Section and the applicable provisions of that
17 Article.

18 This Section does not apply to a person who first becomes a
19 member or participant under Article 16 on or after the
20 implementation date of the plan created under Section 1-161
21 for that Article, unless that person elects under subsection
22 (b) of Section 1-161 to instead receive the benefits provided
23 under this Section and the applicable provisions of that
24 Article.

25 This Section does not apply to a person who elects under
26 subsection (c-5) of Section 1-161 to receive the benefits

1 under Section 1-161.

2 This Section does not apply to a person who first becomes a
3 member or participant of an affected pension fund on or after 6
4 months after the resolution or ordinance date, as defined in
5 Section 1-162, unless that person elects under subsection (c)
6 of Section 1-162 to receive the benefits provided under this
7 Section and the applicable provisions of the Article under
8 which he or she is a member or participant.

9 (b) "Final average salary" means, except as otherwise
10 provided in this subsection, the average monthly (or annual)
11 salary obtained by dividing the total salary or earnings
12 calculated under the Article applicable to the member or
13 participant during the 96 consecutive months (or 8 consecutive
14 years) of service within the last 120 months (or 10 years) of
15 service in which the total salary or earnings calculated under
16 the applicable Article was the highest by the number of months
17 (or years) of service in that period. For the purposes of a
18 person who first becomes a member or participant of any
19 retirement system or pension fund to which this Section
20 applies on or after January 1, 2011, in this Code, "final
21 average salary" shall be substituted for the following:

22 (1) (Blank).

23 (2) In Articles 8, 9, 10, 11, and 12, "highest average
24 annual salary for any 4 consecutive years within the last
25 10 years of service immediately preceding the date of
26 withdrawal".

1 (3) In Article 13, "average final salary".

2 (4) In Article 14, "final average compensation".

3 (5) In Article 17, "average salary".

4 (6) In Section 22-207, "wages or salary received by
5 him at the date of retirement or discharge".

6 A member of the Teachers' Retirement System of the State
7 of Illinois who retires on or after June 1, 2021 and for whom
8 the 2020-2021 school year is used in the calculation of the
9 member's final average salary shall use the higher of the
10 following for the purpose of determining the member's final
11 average salary:

12 (A) the amount otherwise calculated under the first
13 paragraph of this subsection; or

14 (B) an amount calculated by the Teachers' Retirement
15 System of the State of Illinois using the average of the
16 monthly (or annual) salary obtained by dividing the total
17 salary or earnings calculated under Article 16 applicable
18 to the member or participant during the 96 months (or 8
19 years) of service within the last 120 months (or 10 years)
20 of service in which the total salary or earnings
21 calculated under the Article was the highest by the number
22 of months (or years) of service in that period.

23 (b-5) Beginning on January 1, 2011, for all purposes under
24 this Code (including without limitation the calculation of
25 benefits and employee contributions), the annual earnings,
26 salary, or wages (based on the plan year) of a member or

1 participant to whom this Section applies shall not exceed
2 \$106,800; however, that amount shall annually thereafter be
3 increased by the lesser of (i) 3% of that amount, including all
4 previous adjustments, or (ii) one-half the annual unadjusted
5 percentage increase (but not less than zero) in the consumer
6 price index-u for the 12 months ending with the September
7 preceding each November 1, including all previous adjustments.

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

18 (b-10) Beginning on January 1, 2024, for all purposes
19 under this Code (including, without limitation, the
20 calculation of benefits and employee contributions), the
21 annual earnings, salary, or wages (based on the plan year) of a
22 member or participant under Article 9 to whom this Section
23 applies shall include an annual earnings, salary, or wage cap
24 that tracks the Social Security wage base. Maximum annual
25 earnings, wages, or salary shall be the annual contribution
26 and benefit base established for the applicable year by the

1 Commissioner of the Social Security Administration under the
2 federal Social Security Act.

3 However, in no event shall the annual earnings, salary, or
4 wages for the purposes of this Article and Article 9 exceed any
5 limitation imposed on annual earnings, salary, or wages under
6 Section 1-117. Under no circumstances shall the maximum amount
7 of annual earnings, salary, or wages be greater than the
8 amount set forth in this subsection (b-10) as a result of
9 reciprocal service or any provisions regarding reciprocal
10 services, nor shall the Fund under Article 9 be required to pay
11 any refund as a result of the application of this maximum
12 annual earnings, salary, and wage cap.

13 Nothing in this subsection (b-10) shall cause or otherwise
14 result in any retroactive adjustment of any employee
15 contributions. Nothing in this subsection (b-10) shall cause
16 or otherwise result in any retroactive adjustment of
17 disability or other payments made between January 1, 2011 and
18 January 1, 2024.

19 (c) A member or participant is entitled to a retirement
20 annuity upon written application if he or she has attained age
21 67 (age 65, with respect to service under Article 12 that is
22 subject to this Section, for a member or participant under
23 Article 12 who first becomes a member or participant under
24 Article 12 on or after January 1, 2022 or who makes the
25 election under item (i) of subsection (d-15) of this Section)
26 and has at least 10 years of service credit and is otherwise

1 eligible under the requirements of the applicable Article.

2 A member or participant who has attained age 62 (age 60,
3 with respect to service under Article 12 that is subject to
4 this Section, for a member or participant under Article 12 who
5 first becomes a member or participant under Article 12 on or
6 after January 1, 2022 or who makes the election under item (i)
7 of subsection (d-15) of this Section) and has at least 10 years
8 of service credit and is otherwise eligible under the
9 requirements of the applicable Article may elect to receive
10 the lower retirement annuity provided in subsection (d) of
11 this Section.

12 (c-5) A person who first becomes a member or a participant
13 subject to this Section on or after July 6, 2017 (the effective
14 date of Public Act 100-23), notwithstanding any other
15 provision of this Code to the contrary, is entitled to a
16 retirement annuity under Article 8 or Article 11 upon written
17 application if he or she has attained age 65 and has at least
18 10 years of service credit and is otherwise eligible under the
19 requirements of Article 8 or Article 11 of this Code,
20 whichever is applicable.

21 (d) The retirement annuity of a member or participant who
22 is retiring after attaining age 62 (age 60, with respect to
23 service under Article 12 that is subject to this Section, for a
24 member or participant under Article 12 who first becomes a
25 member or participant under Article 12 on or after January 1,
26 2022 or who makes the election under item (i) of subsection

1 (d-15) of this Section) with at least 10 years of service
2 credit shall be reduced by one-half of 1% for each full month
3 that the member's age is under age 67 (age 65, with respect to
4 service under Article 12 that is subject to this Section, for a
5 member or participant under Article 12 who first becomes a
6 member or participant under Article 12 on or after January 1,
7 2022 or who makes the election under item (i) of subsection
8 (d-15) of this Section).

9 (d-5) The retirement annuity payable under Article 8 or
10 Article 11 to an eligible person subject to subsection (c-5)
11 of this Section who is retiring at age 60 with at least 10
12 years of service credit shall be reduced by one-half of 1% for
13 each full month that the member's age is under age 65.

14 (d-10) Each person who first became a member or
15 participant under Article 8 or Article 11 of this Code on or
16 after January 1, 2011 and prior to July 6, 2017 (the effective
17 date of Public Act 100-23) shall make an irrevocable election
18 either:

19 (i) to be eligible for the reduced retirement age
20 provided in subsections (c-5) and (d-5) of this Section,
21 the eligibility for which is conditioned upon the member
22 or participant agreeing to the increases in employee
23 contributions for age and service annuities provided in
24 subsection (a-5) of Section 8-174 of this Code (for
25 service under Article 8) or subsection (a-5) of Section
26 11-170 of this Code (for service under Article 11); or

1 (ii) to not agree to item (i) of this subsection
2 (d-10), in which case the member or participant shall
3 continue to be subject to the retirement age provisions in
4 subsections (c) and (d) of this Section and the employee
5 contributions for age and service annuity as provided in
6 subsection (a) of Section 8-174 of this Code (for service
7 under Article 8) or subsection (a) of Section 11-170 of
8 this Code (for service under Article 11).

9 The election provided for in this subsection shall be made
10 between October 1, 2017 and November 15, 2017. A person
11 subject to this subsection who makes the required election
12 shall remain bound by that election. A person subject to this
13 subsection who fails for any reason to make the required
14 election within the time specified in this subsection shall be
15 deemed to have made the election under item (ii).

16 (d-15) Each person who first becomes a member or
17 participant under Article 12 on or after January 1, 2011 and
18 prior to January 1, 2022 shall make an irrevocable election
19 either:

20 (i) to be eligible for the reduced retirement age
21 specified in subsections (c) and (d) of this Section, the
22 eligibility for which is conditioned upon the member or
23 participant agreeing to the increase in employee
24 contributions for service annuities specified in
25 subsection (b) of Section 12-150; or

26 (ii) to not agree to item (i) of this subsection

1 (d-15), in which case the member or participant shall not
2 be eligible for the reduced retirement age specified in
3 subsections (c) and (d) of this Section and shall not be
4 subject to the increase in employee contributions for
5 service annuities specified in subsection (b) of Section
6 12-150.

7 The election provided for in this subsection shall be made
8 between January 1, 2022 and April 1, 2022. A person subject to
9 this subsection who makes the required election shall remain
10 bound by that election. A person subject to this subsection
11 who fails for any reason to make the required election within
12 the time specified in this subsection shall be deemed to have
13 made the election under item (ii).

14 (e) Any retirement annuity or supplemental annuity shall
15 be subject to annual increases on the January 1 occurring
16 either on or after the attainment of age 67 (age 65, with
17 respect to service under Article 12 that is subject to this
18 Section, for a member or participant under Article 12 who
19 first becomes a member or participant under Article 12 on or
20 after January 1, 2022 or who makes the election under item (i)
21 of subsection (d-15); and beginning on July 6, 2017 (the
22 effective date of Public Act 100-23), age 65 with respect to
23 service under Article 8 or Article 11 for eligible persons
24 who: (i) are subject to subsection (c-5) of this Section; or
25 (ii) made the election under item (i) of subsection (d-10) of
26 this Section) or the first anniversary of the annuity start

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

10 For the purposes of Section 1-103.1 of this Code, the
11 changes made to this Section by Public Act 102-263 are
12 applicable without regard to whether the employee was in
13 active service on or after August 6, 2021 (the effective date
14 of Public Act 102-263).

15 For the purposes of Section 1-103.1 of this Code, the
16 changes made to this Section by Public Act 100-23 are
17 applicable without regard to whether the employee was in
18 active service on or after July 6, 2017 (the effective date of
19 Public Act 100-23).

20 (f) The initial survivor's or widow's annuity of an
21 otherwise eligible survivor or widow of a retired member or
22 participant who first became a member or participant on or
23 after January 1, 2011 shall be in the amount of 66 2/3% of the
24 retired member's or participant's retirement annuity at the
25 date of death. In the case of the death of a member or
26 participant who has not retired and who first became a member

1 or participant on or after January 1, 2011, eligibility for a
2 survivor's or widow's annuity shall be determined by the
3 applicable Article of this Code. The initial benefit shall be
4 66 2/3% of the earned annuity without a reduction due to age. A
5 child's annuity of an otherwise eligible child shall be in the
6 amount prescribed under each Article if applicable. Any
7 survivor's or widow's annuity shall be increased (1) on each
8 January 1 occurring on or after the commencement of the
9 annuity if the deceased member died while receiving a
10 retirement annuity or (2) in other cases, on each January 1
11 occurring after the first anniversary of the commencement of
12 the annuity. Each annual increase shall be calculated at 3% or
13 one-half the annual unadjusted percentage increase (but not
14 less than zero) in the consumer price index-u for the 12 months
15 ending with the September preceding each November 1, whichever
16 is less, of the originally granted survivor's annuity. If the
17 annual unadjusted percentage change in the consumer price
18 index-u for the 12 months ending with the September preceding
19 each November 1 is zero or there is a decrease, then the
20 annuity shall not be increased.

21 (g) The benefits in Section 14-110 apply only if the
22 person is a State policeman, a fire fighter in the fire
23 protection service of a department, a conservation police
24 officer, an investigator for the Secretary of State, an
25 investigator for the Office of the Attorney General, an arson
26 investigator, a Commerce Commission police officer,

1 investigator for the Department of Revenue or the Illinois
2 Gaming Board, a security employee of the Department of
3 Corrections or the Department of Juvenile Justice, or a
4 security employee of the Department of Innovation and
5 Technology, as those terms are defined in subsection (b) and
6 subsection (c) of Section 14-110. A person who meets the
7 requirements of this Section is entitled to an annuity
8 calculated under the provisions of Section 14-110, in lieu of
9 the regular or minimum retirement annuity, only if the person
10 has withdrawn from service with not less than 20 years of
11 eligible creditable service and has attained age 60,
12 regardless of whether the attainment of age 60 occurs while
13 the person is still in service.

14 (h) If a person who first becomes a member or a participant
15 of a retirement system or pension fund subject to this Section
16 on or after January 1, 2011 is receiving a retirement annuity
17 or retirement pension under that system or fund and becomes a
18 member or participant under any other system or fund created
19 by this Code and is employed on a full-time basis, except for
20 those members or participants exempted from the provisions of
21 this Section under subsection (a) of this Section, then the
22 person's retirement annuity or retirement pension under that
23 system or fund shall be suspended during that employment. Upon
24 termination of that employment, the person's retirement
25 annuity or retirement pension payments shall resume and be
26 recalculated if recalculation is provided for under the

1 applicable Article of this Code.

2 If a person who first becomes a member of a retirement
3 system or pension fund subject to this Section on or after
4 January 1, 2012 and is receiving a retirement annuity or
5 retirement pension under that system or fund and accepts on a
6 contractual basis a position to provide services to a
7 governmental entity from which he or she has retired, then
8 that person's annuity or retirement pension earned as an
9 active employee of the employer shall be suspended during that
10 contractual service. A person receiving an annuity or
11 retirement pension under this Code shall notify the pension
12 fund or retirement system from which he or she is receiving an
13 annuity or retirement pension, as well as his or her
14 contractual employer, of his or her retirement status before
15 accepting contractual employment. A person who fails to submit
16 such notification shall be guilty of a Class A misdemeanor and
17 required to pay a fine of \$1,000. Upon termination of that
18 contractual employment, the person's retirement annuity or
19 retirement pension payments shall resume and, if appropriate,
20 be recalculated under the applicable provisions of this Code.

21 (i) (Blank).

22 (j) In the case of a conflict between the provisions of
23 this Section and any other provision of this Code, the
24 provisions of this Section shall control.

25 (Source: P.A. 101-610, eff. 1-1-20; 102-16, eff. 6-17-21;
26 102-210, eff. 1-1-22; 102-263, eff. 8-6-21; 102-956, eff.

1 5-27-22.)

2 (40 ILCS 5/9-169) (from Ch. 108 1/2, par. 9-169)

3 Sec. 9-169. Financing; tax ~~Financing~~ ~~Tax~~ levy and other
4 funding sources.

5 (a) The county board shall levy a tax annually upon all
6 taxable property in the county at the rate that will produce a
7 sum which, when added to the amounts deducted from the
8 salaries of the employees or otherwise contributed by them is
9 sufficient for the requirements of this Article.

10 For the years before 1962 the tax rate shall be as provided
11 in "The 1925 Act". For the years 1962 and 1963 the tax rate
12 shall be not more than .0200 per cent; for the years 1964 and
13 1965 the tax rate shall be not more than .0202 per cent; for
14 the years 1966 and 1967 the tax rate shall be not more than
15 .0207 per cent; for the year 1968 the tax rate shall be not
16 more than .0220 per cent; for the year 1969 the tax rate shall
17 be not more than .0233 per cent; for the year 1970 the tax rate
18 shall be not more than .0255 per cent; for the year 1971 the
19 tax rate shall be not more than .0268 per cent of the value, as
20 equalized or assessed by the Department of Revenue upon all
21 taxable property in the county. Beginning with the year 1972
22 and for each year thereafter the county shall levy a tax
23 annually at a rate on the dollar of the value, as equalized or
24 assessed by the Department of Revenue of all taxable property
25 within the county that will produce, when extended, not to

1 exceed an amount equal to the total amount of contributions
2 made by the employees to the fund in the calendar year 2 years
3 prior to the year for which the annual applicable tax is levied
4 multiplied by .8 for the years 1972 through 1976; by .8 for the
5 year 1977; by .87 for the year 1978; by .94 for the year 1979;
6 by 1.02 for the year 1980 and by 1.10 for the year 1981 and by
7 1.18 for the year 1982 and by 1.36 for the year 1983 and by
8 1.54 for the year 1984 and for each year thereafter.

9 This tax shall be levied and collected in like manner with
10 the general taxes of the county, and shall be in addition to
11 all other taxes which the county is authorized to levy upon the
12 aggregate valuation of all taxable property within the county
13 and shall be exclusive of and in addition to the amount of tax
14 the county is authorized to levy for general purposes under
15 any laws which may limit the amount of tax which the county may
16 levy for general purposes. The county clerk, in reducing tax
17 levies under any Act concerning the levy and extension of
18 taxes, shall not consider this tax as a part of the general tax
19 levy for county purposes, and shall not include it within any
20 limitation of the per cent of the assessed valuation upon
21 which taxes are required to be extended for the county. It is
22 lawful to extend this tax in addition to the general county
23 rate fixed by statute, without being authorized as additional
24 by a vote of the people of the county.

25 Revenues derived from this tax shall be paid to the
26 treasurer of the county and held by the treasurer ~~him~~ for the

1 benefit of the fund.

2 If the payments on account of taxes are insufficient
3 during any year to meet the requirements of this Article, the
4 county may issue tax anticipation warrants against the current
5 tax levy.

6 (b) By January 10, annually, the board shall notify the
7 county board of the requirement of this Article that this tax
8 shall be levied. The board shall make an annual determination
9 of the required county contributions, and shall certify the
10 results thereof to the county board.

11 (c) Beginning in the year 2024, the county's minimum
12 required employer contribution as provided in Section 9-169.2
13 shall be paid with the portion of the tax levy as provided in
14 subsection (a) of this Section and any other lawfully
15 available funds of the county. The county shall disburse to
16 and deposit with the county treasurer on a monthly basis
17 beginning no later than the December 31 preceding the
18 beginning of the Fund's fiscal year 1/12 of the balance of what
19 is not paid under subsection (a), for the benefit of the Fund,
20 to be held in accordance with this Article. This amount,
21 together with such real estate taxes as are specifically
22 levied under this Section for that year, shall not be less than
23 the amount of the minimum required employer contribution for
24 that year as certified by the Fund to the county board. The
25 deposit may be derived from any source otherwise legally
26 available to the county for that purpose, including, but not

1 limited to, home rule taxes. The making of a deposit shall
2 satisfy the requirements of this Section for that year to the
3 extent of the amounts so deposited. Amounts deposited under
4 this subsection may be used by the Fund for any of the purposes
5 for which the proceeds of real estate taxes levied by the
6 county under this Section may otherwise be used, including the
7 payment of any amount that is otherwise required by this
8 Article to be paid from the proceeds of that tax. If the
9 county, before the effective date of this amendatory Act of
10 the 103rd General Assembly, made a contribution or agreed to
11 make a contribution to the Fund from sources other than real
12 estate taxes, this paragraph confirms the validity of or
13 ratifies such contribution or agreement, and neither the
14 county nor any of its officers or employees shall be required
15 to answer for such contribution or agreement in any court. ~~The~~
16 ~~various sums to be contributed by the county board and~~
17 ~~allocated for the purposes of this Article and any interest to~~
18 ~~be contributed by the county shall be taken from the revenue~~
19 ~~derived from this tax and no money of the county derived from~~
20 ~~any source other than the levy and collection of this tax or~~
21 ~~the sale of tax anticipation warrants, except state or federal~~
22 ~~funds contributed for annuity and benefit purposes for~~
23 ~~employees of a county department of public aid under "The~~
24 ~~Illinois Public Aid Code", approved April 11, 1967, as now or~~
25 ~~hereafter amended, may be used to provide revenue for the~~
26 ~~fund.~~

1 If it is not possible or practicable for the county to make
2 contributions for age and service annuity and widow's annuity
3 concurrently with the employee contributions made for such
4 purposes, such county shall make such contributions as soon as
5 possible and practicable thereafter with interest thereon at
6 the effective rate until the time it shall be made.

7 (d) With respect to employees whose wages are funded as
8 participants under the Comprehensive Employment and Training
9 Act of 1973, as amended (P.L. 93-203, 87 Stat. 839, P.L.
10 93-567, 88 Stat. 1845), hereinafter referred to as CETA,
11 subsequent to October 1, 1978, and in instances where the
12 board has elected to establish a manpower program reserve, the
13 board shall compute the amounts necessary to be credited to
14 the manpower program reserves established and maintained as
15 herein provided, and shall make a periodic determination of
16 the amount of required contributions from the County to the
17 reserve to be reimbursed by the federal government in
18 accordance with rules and regulations established by the
19 Secretary of the United States Department of Labor or his
20 designee, and certify the results thereof to the County Board.
21 Any such amounts shall become a credit to the County and will
22 be used to reduce the amount which the County would otherwise
23 contribute during succeeding years for all employees.

24 (e) In lieu of establishing a manpower program reserve
25 with respect to employees whose wages are funded as
26 participants under the Comprehensive Employment and Training

1 Act of 1973, as authorized by subsection (d), the board may
2 elect to establish a special County contribution rate for all
3 such employees. If this option is elected, the County shall
4 contribute to the Fund from federal funds provided under the
5 Comprehensive Employment and Training Act program at the
6 special rate so established and such contributions shall
7 become a credit to the County and be used to reduce the amount
8 which the County would otherwise contribute during succeeding
9 years for all employees.

10 (Source: P.A. 95-369, eff. 8-23-07.)

11 (40 ILCS 5/9-169.1 new)

12 Sec. 9-169.1. Annual actuarial report. The retirement
13 board shall retain an actuary who is a member in good standing
14 of the American Academy of Actuaries to produce an annual
15 actuarial report of the Fund. The annual actuarial report
16 shall include, but not be limited to: (1) a statement of the
17 minimum required contribution, the actuarial value of the
18 Fund's assets as projected over at least 30 years' time, and
19 the actuarial value of the Fund's liabilities as projected
20 over the same period of time; and (2) the minimum required
21 employer contribution, as determined under Section 9-169.2,
22 for the second year immediately following the year ending on
23 the valuation date upon which the annual actuarial report is
24 based.

25 The annual actuarial report may be prepared as part of the

1 annual audit required under Section 9-195. The annual
2 actuarial report shall be reviewed and formally adopted by the
3 retirement board and shall be included in the annual report
4 that is required to be submitted to the county in July of each
5 year under Section 9-199.

6 In this Section, "valuation date" means the date that the
7 value of the assets and liabilities of the Fund is based on in
8 the annual actuarial report.

9 (40 ILCS 5/9-169.2 new)

10 Sec. 9-169.2. Minimum required employer contribution. The
11 minimum required employer contribution for a specified year,
12 as set forth in the annual actuarial report required under
13 Section 9-169.1, shall be the amount determined by the Fund's
14 actuary to be equal to the sum of: (i) the projected normal
15 cost for pensions for that fiscal year based on the entry age
16 actuarial cost method, plus (ii) a projected unfunded
17 actuarial accrued liability amortization payment for pensions
18 for the fiscal year, plus (iii) projected expenses for that
19 fiscal year, plus (iv) interest to adjust for payment pattern
20 during the fiscal year, less (v) projected employee
21 contributions for that fiscal year.

22 The minimum required employer contribution for the next
23 year shall be submitted annually by the county on or before
24 June 14 of each year unless another time frame is agreed upon
25 by the county and the Fund.

1 For the purposes of this Section:

2 "5-Year smoothed actuarial value of assets" means the
3 value of assets as determined by a method that spreads the
4 effect of each year's investment return in excess of or below
5 the expected return.

6 "Entry age actuarial cost method" means a method of
7 determining the normal cost and is determined as a level
8 percentage of pay that, if paid from entry age to the assumed
9 retirement age, assuming all the actuarial assumptions are
10 exactly met by experience and no changes in assumptions or
11 benefit provisions, would accumulate to a fund sufficient to
12 pay all benefits provided by the Fund.

13 "Layered amortization" means a technique that separately
14 layers the different components of the unfunded actuarial
15 accrued liabilities to be amortized over a fixed period not to
16 exceed 30 years.

17 "Projected expenses" means the projected administrative
18 expenses for the cost of administering the Fund.

19 "Projected normal costs for pensions" means the cost of
20 the benefits that accrue during the year for active members
21 under the entry age actuarial cost method.

22 "Unfunded actuarial accrued liability amortization
23 payment" means the annual contribution equal to the difference
24 between the values of assets and the accrued liabilities of
25 the plan, calculated by an actuary, needed to amortize the
26 Fund's liabilities over a period of 30 years starting in 2017,

1 with layered amortization of the Fund's unexpected unfunded
2 actuarial accrued liability amortization payment following
3 2017 in periods of 30 years, with amortization payments
4 increasing 2% per year, and reflecting a discount rate for all
5 liabilities consistent with the assumed investment rate of
6 return on fund assets and a 5-year smoothed actuarial value of
7 assets.

8 (40 ILCS 5/9-179.1) (from Ch. 108 1/2, par. 9-179.1)

9 Sec. 9-179.1. Military service. A contributing employee ~~as~~
10 ~~of January 1, 1993 with at least 25 years of service credit~~ may
11 apply for creditable service for up to 2 years of military
12 service whether or not the military service followed service
13 as a county employee. The military service need not have been
14 served in wartime, but the employee must not have been
15 dishonorably discharged. To establish this creditable service
16 the applicant must pay to the Fund, while in the service of the
17 county, an amount determined by the Fund to represent the
18 employee contributions for the creditable service established,
19 based on the employee's rate of compensation on his or her last
20 day as a contributor before the military service, or on his or
21 her first day as a contributor after the military service,
22 whichever is greater, plus interest at the effective rate from
23 the date of discharge to the date of payment. If a person who
24 has established any credit under this Section applies for or
25 receives any early retirement incentive under Section 9-134.2,

1 the credit under this Section shall be forfeited and the
2 amount paid to the Fund under this Section shall be refunded.

3 (Source: P.A. 87-1265.)

4 (40 ILCS 5/9-184) (from Ch. 108 1/2, par. 9-184)

5 Sec. 9-184. Estimates of sums required for certain
6 annuities and benefits. The board shall estimate and itemize
7 the amounts required each year to pay for all annuities, each
8 benefit category, and benefits and administrative expenses
9 associated with this Article, by way of a written report and
10 request to the County Board of Commissioners. The amounts
11 shall be paid into the fund annually by the county as provided
12 in Section 9-169 ~~from the prescribed tax levy.~~

13 (Source: Laws 1963, p. 161.)

14 (40 ILCS 5/9-185) (from Ch. 108 1/2, par. 9-185)

15 Sec. 9-185. Board created.

16 (a) A board of 9 members shall constitute the board of
17 trustees authorized to carry out the provisions of this
18 Article. The board of trustees shall be known as "The
19 Retirement Board of the County Employees' Annuity and Benefit
20 Fund of County". The board shall consist of 2 members
21 appointed and 7 members elected as hereinafter prescribed.

22 (b) The appointed members shall be appointed as follows:
23 One member shall be appointed by the comptroller of such
24 county, who may be the comptroller or some person chosen by the

1 comptroller ~~him~~ from among employees of the county, who are
2 versed in the affairs of the comptroller's office; and one
3 member shall be appointed by the treasurer of such county, who
4 may be the treasurer or some person chosen by the treasurer ~~him~~
5 from among employees of the County who are versed in the
6 affairs of the treasurer's office.

7 The member appointed by the comptroller shall hold office
8 for a term ending on December 1st of the first year following
9 the year of appointment. The member appointed by the county
10 treasurer shall hold office for a term ending on December 1st
11 of the second year following the year of appointment.

12 Thereafter, each appointed member shall be appointed by
13 the officer that appointed the ~~his~~ predecessor for a term of 2
14 years.

15 (c) Three county employee members of the board shall be
16 elected as follows: within 30 days from and after the date upon
17 which this Article comes into effect in the county, the clerk
18 of the county shall arrange for and hold an election. One
19 employee shall be elected for a term ending on the first day in
20 the month of December of the first year next following the
21 effective date; one for a term ending on December 1st of the
22 following year; and one for a term ending December 1st of the
23 second following year.

24 (d) Beginning December 1, 1988, and every 3 years
25 thereafter, an annuitant member of the board shall be elected
26 as follows: the board shall arrange for and hold an election in

1 which only those participants who are currently receiving
2 retirement benefits under this Article shall be eligible to
3 vote and be elected. Each such member shall be elected to a
4 term ending on the first day in the month of December of the
5 third following year.

6 (d-1) Beginning December 1, 2001, and every 3 years
7 thereafter, an annuitant member of the board shall be elected
8 as follows: the board shall arrange for and hold an election in
9 which only those participants who are currently receiving
10 retirement benefits under this Article shall be eligible to
11 vote and be elected. Each such member shall be elected to a
12 term ending on the first day in the month of December of the
13 third following year. Until December 1, 2001, the position
14 created under this subsection (d-1) may be filled by the board
15 as in the case of a vacancy.

16 (e) Beginning December 1, 1988, if a Forest Preserve
17 District Employees' Annuity and Benefit Fund shall be in force
18 in such county and the board of this fund is charged with
19 administering the affairs of such annuity and benefit fund for
20 employees of such forest preserve district, a forest preserve
21 district member of the board shall be elected as of December 1,
22 1988, and every 3 years thereafter as follows: the board shall
23 arrange for and hold an election in which only those employees
24 of such forest preserve district who are contributors to the
25 annuity and benefit fund for employees of such forest preserve
26 district shall be eligible to vote and be elected. Each such

1 member shall be elected to a term ending on the first day in
2 the month of December of the third following year.

3 (f) Beginning December 1, 2001, and every 3 years
4 thereafter, if a Forest Preserve District Employees' Annuity
5 and Benefit Fund is in force in the county and the board of
6 this Fund is charged with administering the affairs of that
7 annuity and benefit fund for employees of the forest preserve
8 district, a forest preserve district annuitant member of the
9 board shall be elected as follows: the board shall arrange for
10 and hold an election in which only those participants who are
11 currently receiving retirement benefits under Article 10 shall
12 be eligible to vote and be elected. Each such member shall be
13 elected to a term ending on the first day in the month of
14 December of the third following year. Until December 1, 2001,
15 the position created under this subsection (f) may be filled
16 by the board as in the case of a vacancy.

17 (Source: P.A. 92-66, eff. 7-12-01.)

18 (40 ILCS 5/9-195) (from Ch. 108 1/2, par. 9-195)

19 Sec. 9-195. To have an audit. To have an audit of the
20 accounts of the fund made at least once each year by certified
21 public accountants. The audit may include the preparation of
22 the annual actuarial report required under Section 9-169.1.

23 (Source: Laws 1963, p. 161.)

24 (40 ILCS 5/9-199) (from Ch. 108 1/2, par. 9-199)

1 Sec. 9-199. To submit an annual report. To submit a report
2 in July of each year to the county board of the county as of
3 the close of business on December 31st of the preceding year.
4 The report shall contain a detailed statement of the affairs
5 of the fund, its income and expenditures, and assets and
6 liabilities, and it shall include the annual actuarial report
7 required under Section 9-169.1. The county board shall have
8 power to require and compel the retirement board to prepare
9 and submit such reports.

10 (Source: P.A. 95-369, eff. 8-23-07.)

11 (40 ILCS 5/9-240 new)

12 Sec. 9-240. Group health benefit funding. Beginning on the
13 effective date of this amendatory Act of the 103rd General
14 Assembly, the county shall be notified by June 14 of each year
15 of the proposed costs of any such payments allocated by the
16 Fund for all or any portion of the total health premium paid by
17 the Fund pursuant to Section 9-239.

18 Section 90. The State Mandates Act is amended by adding
19 Section 8.47 as follows:

20 (30 ILCS 805/8.47 new)

21 Sec. 8.47. Exempt mandate. Notwithstanding Sections 6 and
22 8 of this Act, no reimbursement by the State is required for
23 the implementation of any mandate created by this amendatory

1 Act of the 103rd General Assembly.

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