

1 AN ACT in relation to public employee benefits.

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

4 Section 5. The Illinois Pension Code is amended by
5 changing Section 15-113.3 as follows:

6 (40 ILCS 5/15-113.3) (from Ch. 108 1/2, par. 15-113.3)

7 Sec. 15-113.3. Service for periods of military service.
8 "Service for periods of military service": Those periods,
9 not exceeding 5 years, during which a person served in the
10 armed forces of the United States, of which all but 2 years
11 must have immediately followed a period of employment with an
12 employer under this System or the State Employees' Retirement
13 System of Illinois; provided that the person received a
14 discharge other than dishonorable and again became an
15 employee under this System within one year after discharge.
16 However, for the up to 2 years of military service not
17 immediately following employment, the applicant must make
18 contributions to the System (1) at the rates provided in
19 Section 15-157 based upon the employee's basic compensation
20 on the last date as a participating employee prior to such
21 military service, or on the first date as a participating
22 employee after such military service, whichever is greater,
23 plus (2) an amount determined by the board to be equal to the
24 employer's normal cost of the benefits accrued for such
25 military service, plus (3) interest on items (1) and (2) at
26 the effective rate from the date the person last became an
27 employee or November 19, 1991, whichever is later, later--of
28 the--date--of--first--membership-in-the-System-or-the-date-of
29 conclusion-of-military-service to the date of payment.

30 The change in the manner of calculating interest under
31 this Section made by this amendatory Act of the 93rd General

1 Assembly applies to credit purchased by an employee on or
2 after its effective date and does not entitle any person to a
3 refund of contributions or interest already paid.

4 The change in the required contribution for purchased
5 military credit made by this amendatory Act of 1993 does not
6 entitle any person to a refund of contributions already paid.

7 The changes to this Section made by this amendatory Act
8 of 1991 shall apply not only to persons who on or after its
9 effective date are in service under the System, but also to
10 persons whose employment terminated prior to that date,
11 whether or not the person is an annuitant on that date. In
12 the case of an annuitant who applies for credit allowable
13 under this Section for a period of military service that did
14 not immediately follow employment, and who has made the
15 required contributions for such credit, the annuity shall be
16 recalculated to include the additional service credit, with
17 the increase taking effect on the date the System received
18 written notification of the annuitant's intent to purchase
19 the credit, if payment of all the required contributions is
20 made within 60 days of such notice, or else on the first
21 annuity payment date following the date of payment of the
22 required contributions. In calculating the automatic annual
23 increase for an annuity that has been recalculated under this
24 Section, the increase attributable to the additional service
25 allowable under this amendatory Act of 1991 shall be included
26 in the calculation of automatic annual increases accruing
27 after the effective date of the recalculation.

28 (Source: P.A. 90-65, eff. 7-7-97; 90-511, eff. 8-22-97.)

29 Section 99. Effective date. This Act takes effect upon
30 becoming law.