

96TH GENERAL ASSEMBLY State of Illinois 2009 and 2010 HB3196

Introduced 2/24/2009, by Rep. Tom Cross

SYNOPSIS AS INTRODUCED:

40 ILCS 5/14-119

from Ch. 108 1/2, par. 14-119

Amends the State Employees Article of the Illinois Pension Code. Makes a technical change in a Section concerning widow's annuities.

LRB096 08870 AMC 19005 b

PENSION IMPACT NOTE ACT MAY APPLY

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1 AN ACT concerning public employee benefits.

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

- Section 5. The Illinois Pension Code is amended by changing

 Section 14-119 as follows:
- 6 (40 ILCS 5/14-119) (from Ch. 108 1/2, par. 14-119)
- 7 Sec. 14-119. Amount of widow's annuity.
- 8 (a) The The widow's annuity shall be 50% of the amount of
 9 retirement annuity payable to the member on the date of death
 10 while on retirement if an annuitant, or on the date of his
 11 death while in service if an employee, regardless of his age on
 12 such date, or on the date of withdrawal if death occurred after
 13 termination of service under the conditions prescribed in the
 14 preceding Section.
 - (b) If an eligible widow, regardless of age, has in her care any unmarried child or children of the member under age 18 (under age 22 if a full-time student), the widow's annuity shall be increased in the amount of 5% of the retirement annuity for each such child, but the combined payments for a widow and children shall not exceed 66 2/3% of the member's earned retirement annuity.
- The amount of retirement annuity from which the widow's annuity is derived shall be that earned by the member without

- regard to whether he attained age 60 prior to his withdrawal under the conditions stated or prior to his death.
 - (c) Marriage of a child shall render the child ineligible for further consideration in the increase in the amount of the widow's annuity.

Attainment of age 18 (age 22 if a full-time student) shall render a child ineligible for further consideration in the increase of the widow's annuity, but the annuity to the widow shall be continued thereafter, without regard to her age at that time.

- employee who shall have been a covered employee for at least 18 months shall be reduced by 1/2 of the amount of survivors benefits to which his beneficiaries are eligible under the provisions of the Federal Social Security Act, except that (1) the amount of any widow's annuity payable under this Article shall not be reduced by reason of any increase under that Act which occurs after the offset required by this subsection is first applied to that annuity, and (2) for benefits granted on or after January 1, 1992, the offset under this subsection (d) shall not exceed 50% of the amount of widow's annuity otherwise payable.
- (e) Upon the death of a recipient of a widow's annuity the excess, if any, of the member's accumulated contributions plus credited interest over all annuity payments to the member and widow, exclusive of the \$500 lump sum payment, shall be paid to

- the named beneficiary of the widow, or if none has been named, 1 2 to the estate of the widow, provided no reversionary annuity is
- 3 payable.

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- (f) On January 1, 1981, any recipient of a widow's annuity 4 5 who was receiving a widow's annuity on or before January 1, 1971, shall have her widow's annuity then being paid increased 6 7 by 1% for each full year which has elapsed from the date the widow's annuity began. On January 1, 1982, any recipient of a 8 9 widow's annuity who began receiving a widow's annuity after 10 January 1, 1971, but before January 1, 1981, shall have her 11 widow's annuity then being paid increased by 1% for each full 12 year which has elapsed from the date the widow's annuity began. On January 1, 1987, any recipient of a widow's annuity who 13 began receiving the widow's annuity on or before January 1, 14 1977, shall have the monthly widow's annuity increased by \$1 15 16 for each full year which has elapsed since the date the annuity 17 began.
 - (g) Beginning January 1, 1990, every widow's annuity shall be increased (1) on each January 1 occurring on or after the commencement of the annuity if the deceased member died while receiving a retirement annuity, or (2) in other cases, on each January 1 occurring on or after the first anniversary of the commencement of the annuity, by an amount equal to 3% of the current amount of the annuity, including any previous increases under this Article. Such increases shall apply without regard to whether the deceased member was in service on or after the

- 1 effective date of Public Act 86-1488, but shall not accrue for
- 2 any period prior to January 1, 1990.
- 3 (Source: P.A. 95-279, eff. 1-1-08.)