



Sen. John J. Cullerton

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1 AMENDMENT TO SENATE BILL 432

2 AMENDMENT NO. _____. Amend Senate Bill 432 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Pension Code is amended by
5 changing Section 17-127 as follows:

6 (40 ILCS 5/17-127) (from Ch. 108 1/2, par. 17-127)

7 Sec. 17-127. Financing; revenues for the Fund.

8 (a) The revenues for the Fund shall consist of: (1) amounts
9 paid into the Fund by contributors thereto and from employer
10 contributions and State appropriations in accordance with this
11 Article; (2) amounts contributed to the Fund by an Employer;
12 (3) amounts contributed to the Fund pursuant to any law now in
13 force or hereafter to be enacted; (4) contributions from any
14 other source; and (5) the earnings on investments.

15 (b) The General Assembly finds that for many years the
16 State has contributed to the Fund an annual amount that is

1 between 20% and 30% of the amount of the annual State
2 contribution to the Article 16 retirement system, and the
3 General Assembly declares that it is its goal and intention to
4 continue this level of contribution to the Fund in the future.

5 (c) Beginning in State fiscal year 1999, the State shall
6 include in its annual contribution to the Fund an additional
7 amount equal to 0.544% of the Fund's total teacher payroll;
8 except that this additional contribution need not be made in a
9 fiscal year if the Board has certified in the previous fiscal
10 year that the Fund is at least 90% funded, based on actuarial
11 determinations. These additional State contributions are
12 intended to offset a portion of the cost to the Fund of the
13 increases in retirement benefits resulting from this
14 amendatory Act of 1998.

15 (d) In addition to any other contribution required under
16 this Article, including the contribution required under
17 subsection (c), the State shall contribute to the Fund the
18 following amounts:

19 (1) For State fiscal year 2017, the State shall
20 contribute \$215,200,000.

21 (2) For State fiscal year 2018, the State shall
22 contribute \$221,300,000.

23 (3) Beginning in State fiscal year 2019, the State
24 shall contribute for each fiscal year an amount to be
25 determined by the Fund, equal to the employer normal cost
26 for that fiscal year, plus the amount allowed pursuant to

1 paragraph (3) of Section 17-142.1, to defray health
2 insurance costs.

3 (e) The Board shall determine the amount of State
4 contributions required for each fiscal year on the basis of the
5 actuarial tables and other assumptions adopted by the Board and
6 the recommendations of the actuary. On or before November 1 of
7 each year, beginning November 1, 2017, the Board shall submit
8 to the State Actuary, the Governor, and the General Assembly a
9 proposed certification of the amount of the required State
10 contribution to the Fund for the next fiscal year, along with
11 all of the actuarial assumptions, calculations, and data upon
12 which that proposed certification is based.

13 On or before January 1 of each year, beginning January 1,
14 2018, the State Actuary shall issue a preliminary report
15 concerning the proposed certification and identifying, if
16 necessary, recommended changes in actuarial assumptions that
17 the Board must consider before finalizing its certification of
18 the required State contributions.

19 (f) On or before January 15, 2018 and each January 15
20 thereafter, the Board shall certify to the Governor and the
21 General Assembly the amount of the required State contribution
22 for the next fiscal year. The certification shall include a
23 copy of the actuarial recommendations upon which it is based
24 and shall specifically identify the Fund's projected employer
25 normal cost for that fiscal year. The Board's certification
26 must note any deviations from the State Actuary's recommended

1 changes, the reason or reasons for not following the State
2 Actuary's recommended changes, and the fiscal impact of not
3 following the State Actuary's recommended changes on the
4 required State contribution.

5 For the purposes of this Article, including issuing
6 vouchers, and for the purposes of subsection (h) of Section 1.1
7 of the State Pension Funds Continuing Appropriation Act, the
8 State contribution specified for State fiscal years 2017 and
9 2018 shall be deemed to have been certified, by operation of
10 law and without official action by the Board or the State
11 Actuary, in the amount provided in subsection (d) of this
12 Section.

13 (g) Beginning in State fiscal year 2017, on the 15th day of
14 each month, or as soon thereafter as may be practicable, the
15 Board shall submit vouchers for payment of State contributions
16 to the Fund, in a total monthly amount of one-twelfth of the
17 required annual State contribution under subsection (d). These
18 vouchers shall be paid by the State Comptroller and Treasurer
19 by warrants drawn on the funds appropriated to the Fund for
20 that fiscal year. If in any month the amount remaining
21 unexpended from all other State appropriations to the Fund for
22 the applicable fiscal year is less than the amount lawfully
23 vouchered under this subsection, the difference shall be paid
24 from the Common School Fund under the continuing appropriation
25 authority provided in Section 1.1 of the State Pension Funds
26 Continuing Appropriation Act.

1 (Source: P.A. 90-548, eff. 12-4-97; 90-566, eff. 1-2-98;
2 90-582, eff. 5-27-98; 90-655, eff. 7-30-98.)

3 Section 10. The State Pension Funds Continuing
4 Appropriation Act is amended by changing Section 1.1 as
5 follows:

6 (40 ILCS 15/1.1)

7 Sec. 1.1. Appropriations to certain retirement systems.

8 (a) There is hereby appropriated from the General Revenue
9 Fund to the General Assembly Retirement System, on a continuing
10 monthly basis, the amount, if any, by which the total available
11 amount of all other appropriations to that retirement system
12 for the payment of State contributions is less than the total
13 amount of the vouchers for required State contributions
14 lawfully submitted by the retirement system for that month
15 under Section 2-134 of the Illinois Pension Code.

16 (b) There is hereby appropriated from the General Revenue
17 Fund to the State Universities Retirement System, on a
18 continuing monthly basis, the amount, if any, by which the
19 total available amount of all other appropriations to that
20 retirement system for the payment of State contributions,
21 including any deficiency in the required contributions of the
22 optional retirement program established under Section 15-158.2
23 of the Illinois Pension Code, is less than the total amount of
24 the vouchers for required State contributions lawfully

1 submitted by the retirement system for that month under Section
2 15-165 of the Illinois Pension Code.

3 (c) There is hereby appropriated from the Common School
4 Fund to the Teachers' Retirement System of the State of
5 Illinois, on a continuing monthly basis, the amount, if any, by
6 which the total available amount of all other appropriations to
7 that retirement system for the payment of State contributions
8 is less than the total amount of the vouchers for required
9 State contributions lawfully submitted by the retirement
10 system for that month under Section 16-158 of the Illinois
11 Pension Code.

12 (d) There is hereby appropriated from the General Revenue
13 Fund to the Judges Retirement System of Illinois, on a
14 continuing monthly basis, the amount, if any, by which the
15 total available amount of all other appropriations to that
16 retirement system for the payment of State contributions is
17 less than the total amount of the vouchers for required State
18 contributions lawfully submitted by the retirement system for
19 that month under Section 18-140 of the Illinois Pension Code.

20 (e) The continuing appropriations provided by subsections
21 (a), (b), (c), and (d) of this Section shall first be available
22 in State fiscal year 1996. The continuing appropriations
23 provided by subsection (h) of this Section shall first be
24 available as provided in that subsection (h).

25 (f) For State fiscal year 2010 only, the continuing
26 appropriations provided by this Section are equal to the amount

1 certified by each System on or before December 31, 2008, less
2 (i) the gross proceeds of the bonds sold in fiscal year 2010
3 under the authorization contained in subsection (a) of Section
4 7.2 of the General Obligation Bond Act and (ii) any amounts
5 received from the State Pensions Fund.

6 (g) For State fiscal year 2011 only, the continuing
7 appropriations provided by this Section are equal to the amount
8 certified by each System on or before April 1, 2011, less (i)
9 the gross proceeds of the bonds sold in fiscal year 2011 under
10 the authorization contained in subsection (a) of Section 7.2 of
11 the General Obligation Bond Act and (ii) any amounts received
12 from the State Pensions Fund.

13 (h) There is hereby appropriated from the Common School
14 Fund to the Public School Teachers' Pension and Retirement Fund
15 of Chicago, on a continuing monthly basis, the amount, if any,
16 by which the total available amount of all other State
17 appropriations to that Retirement Fund for the payment of State
18 contributions under subsection (d) of Section 17-127 of the
19 Illinois Pension Code is less than the total amount of the
20 vouchers for required State contributions lawfully submitted
21 by the Retirement Fund for that month under that Section
22 17-127.

23 (Source: P.A. 96-43, eff. 7-15-09; 96-1497, eff. 1-14-11;
24 96-1511, eff. 1-27-11.)

25 Section 99. Effective date. This Act takes effect upon

1 becoming law.".