



Rep. Barbara Flynn Currie

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1 AMENDMENT TO SENATE BILL 2437

2 AMENDMENT NO. _____. Amend Senate Bill 2437, 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, 8-113, 8-173, 8-174, 8-243.2, 8-244,
7 8-244.1, 8-251, 11-169, 11-170, 11-223.1, and 11-230 and by
8 adding Sections 8-228.5, 11-125.9, and 11-197.7 as follows:

9 (40 ILCS 5/1-160)

10 (Text of Section WITHOUT the changes made by P.A. 98-641,
11 which has been held unconstitutional)

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

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

1 system or pension fund established under Article 2, 3, 4, 5, 6,
2 15 or 18 of this Code, notwithstanding any other provision of
3 this Code to the contrary, but do not apply to any self-managed
4 plan established under this Code, to any person with respect to
5 service as a sheriff's law enforcement employee under Article
6 7, or to any participant of the retirement plan established
7 under Section 22-101. Notwithstanding anything to the contrary
8 in this Section, for purposes of this Section, a person who
9 participated in a retirement system under Article 15 prior to
10 January 1, 2011 shall be deemed a person who first became a
11 member or participant prior to January 1, 2011 under any
12 retirement system or pension fund subject to this Section. The
13 changes made to this Section by Public Act 98-596 ~~this~~
14 ~~amendatory Act of the 98th General Assembly~~ are a clarification
15 of existing law and are intended to be retroactive to January
16 1, 2011 (the effective date of Public Act 96-889),
17 notwithstanding the provisions of Section 1-103.1 of this Code.

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

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

4 (1) In Article 7 (except for service as sheriff's law
5 enforcement employees), "final rate of earnings".

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 him
14 at the date of retirement or discharge".

15 (b-5) Beginning on January 1, 2011, for all purposes under
16 this Code (including without limitation the calculation of
17 benefits and employee contributions), the annual earnings,
18 salary, or wages (based on the plan year) of a member or
19 participant to whom this Section applies shall not exceed
20 \$106,800; however, that amount shall annually thereafter be
21 increased by the lesser of (i) 3% of that amount, including all
22 previous adjustments, or (ii) one-half the annual unadjusted
23 percentage increase (but not less than zero) in the consumer
24 price index-u for the 12 months ending with the September
25 preceding each November 1, including all previous adjustments.

26 For the purposes of this Section, "consumer price index-u"

1 means the index published by the Bureau of Labor Statistics of
2 the United States Department of Labor that measures the average
3 change in prices of goods and services purchased by all urban
4 consumers, United States city average, all items, 1982-84 =
5 100. The new amount resulting from each annual adjustment shall
6 be determined by the Public Pension Division of the Department
7 of Insurance and made available to the boards of the retirement
8 systems and pension funds by November 1 of each year.

9 (c) A member or participant is entitled to a retirement
10 annuity upon written application if he or she has attained age
11 67 (beginning January 1, 2015, age 65 with respect to service
12 under Article 12 of this Code that is subject to this Section)
13 and has at least 10 years of service credit and is otherwise
14 eligible under the requirements of the applicable Article.

15 A member or participant who has attained age 62 (beginning
16 January 1, 2015, age 60 with respect to service under Article
17 12 of this Code that is subject to this Section) and has at
18 least 10 years of service credit and is otherwise eligible
19 under the requirements of the applicable Article may elect to
20 receive the lower retirement annuity provided in subsection (d)
21 of this Section.

22 (c-5) A person who first becomes a member or a participant
23 under Article 8 or Article 11 of this Code on or after the
24 effective date of this amendatory Act of the 99th General
25 Assembly, notwithstanding any other provision of this Code to
26 the contrary, is entitled to a retirement annuity upon written

1 application if he or she has attained age 65 and has at least
2 10 years of service credit under Article 8 or Article 11 of
3 this Code and is otherwise eligible under the requirements of
4 Article 8 or Article 11 of this Code, whichever is applicable.

5 (d) The retirement annuity of a member or participant who
6 is retiring after attaining age 62 (beginning January 1, 2015,
7 age 60 with respect to service under Article 12 of this Code
8 that is subject to this Section) with at least 10 years of
9 service credit shall be reduced by one-half of 1% for each full
10 month that the member's age is under age 67 (beginning January
11 1, 2015, age 65 with respect to service under Article 12 of
12 this Code that is subject to this Section).

13 (d-5) The retirement annuity of a person who first becomes
14 a member or a participant under Article 8 or Article 11 of this
15 Code on or after the effective date of this amendatory Act of
16 the 99th General Assembly who is retiring at age 60 with at
17 least 10 years of service credit under Article 8 or Article 11
18 shall be reduced by one-half of 1% for each full month that the
19 member's age is under age 65.

20 (d-10) Each person who first became a member or participant
21 under Article 8 or Article 11 of this Code on or after January
22 1, 2011 and prior to the effective date of this amendatory Act
23 of the 99th General Assembly shall make an irrevocable election
24 either:

25 (i) to be eligible for the reduced retirement age
26 provided in subsections (c-5) and (d-5) of this Section,

1 the eligibility for which is conditioned upon the member or
2 participant agreeing to the increases in employee
3 contributions for age and service annuities provided in
4 subsection (a-5) of Section 8-174 of this Code (for service
5 under Article 8) or subsection (a-5) of Section 11-170 of
6 this Code (for service under Article 11); or

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

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

22 (e) Any retirement annuity or supplemental annuity shall be
23 subject to annual increases on the January 1 occurring either
24 on or after the attainment of age 67 (beginning January 1,
25 2015, age 65 with respect to service under Article 12 of this
26 Code that is subject to this Section and beginning on the

1 effective date of this amendatory Act of the 99th General
2 Assembly, age 65 with respect to persons who: (i) first became
3 members or participants under Article 8 or Article 11 of this
4 Code on or after the effective date of this amendatory Act of
5 the 99th General Assembly; or (ii) first became members or
6 participants under Article 8 or Article 11 of this Code on or
7 after January 1, 2011 and before the effective date of this
8 amendatory Act of the 99th General Assembly and made the
9 election under item (i) of subsection (d-10) of this Section)
10 or the first anniversary of the annuity start date, whichever
11 is later. Each annual increase shall be calculated at 3% or
12 one-half the annual unadjusted percentage increase (but not
13 less than zero) in the consumer price index-u for the 12 months
14 ending with the September preceding each November 1, whichever
15 is less, of the originally granted retirement annuity. If the
16 annual unadjusted percentage change in the consumer price
17 index-u for the 12 months ending with the September preceding
18 each November 1 is zero or there is a decrease, then the
19 annuity shall not be increased.

20 Notwithstanding Section 1-103.1 of this Code, the changes
21 made to this Section by this amendatory Act of the 99th General
22 Assembly are applicable without regard to whether the employee
23 was in active service on or after the effective date of this
24 amendatory Act of the 99th General Assembly.

25 (f) The initial survivor's or widow's annuity of an
26 otherwise eligible survivor or widow of a retired member or

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

26 (g) The benefits in Section 14-110 apply only if the person

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

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

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

20 (i) (Blank).

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

24 (Source: P.A. 97-609, eff. 1-1-12; 98-92, eff. 7-16-13; 98-596,
25 eff. 11-19-13; 98-622, eff. 6-1-14; revised 3-24-16.)

1 (40 ILCS 5/8-113) (from Ch. 108 1/2, par. 8-113)

2 Sec. 8-113. Municipal employee, employee, contributor, or
3 participant. "Municipal employee", "employee", "contributor",
4 or "participant":

5 (a) Any employee of an employer employed in the classified
6 civil service thereof other than by temporary appointment or in
7 a position excluded or exempt from the classified service by
8 the Civil Service Act, or in the case of a city operating under
9 a personnel ordinance, any employee of an employer employed in
10 the classified or career service under the provisions of a
11 personnel ordinance, other than in a provisional or exempt
12 position as specified in such ordinance or in rules and
13 regulations formulated thereunder.

14 (b) Any employee in the service of an employer before the
15 Civil Service Act came in effect for the employer.

16 (c) Any person employed by the board.

17 (d) Any person employed after December 31, 1949, but prior
18 to January 1, 1984, in the service of the employer by temporary
19 appointment or in a position exempt from the classified service
20 as set forth in the Civil Service Act, or in a provisional or
21 exempt position as specified in the personnel ordinance, who
22 meets the following qualifications:

23 (1) has rendered service during not less than 12
24 calendar months to an employer as an employee, officer, or
25 official, 4 months of which must have been consecutive full
26 normal working months of service rendered immediately

1 prior to filing application to be included; and

2 (2) files written application with the board, while in
3 the service, to be included hereunder.

4 (e) After December 31, 1949, any alderman or other officer
5 or official of the employer, who files, while in office,
6 written application with the board to be included hereunder.

7 (f) Beginning January 1, 1984, any person employed by an
8 employer other than the Chicago Housing Authority or the Public
9 Building Commission of the city, whether or not such person is
10 serving by temporary appointment or in a position exempt from
11 the classified service as set forth in the Civil Service Act,
12 or in a provisional or exempt position as specified in the
13 personnel ordinance, provided that such person is neither (1)
14 an alderman or other officer or official of the employer, nor
15 (2) participating, on the basis of such employment, in any
16 other pension fund or retirement system established under this
17 Act.

18 (g) After December 31, 1959, any person employed in the law
19 department of the city, or municipal court or Board of Election
20 Commissioners of the city, who was a contributor and
21 participant, on December 31, 1959, in the annuity and benefit
22 fund in operation in the city on said date, by virtue of the
23 Court and Law Department Employees' Annuity Act or the Board of
24 Election Commissioners Employees' Annuity Act.

25 After December 31, 1959, the foregoing definition includes
26 any other person employed or to be employed in the law

1 department, or municipal court (other than as a judge), or
2 Board of Election Commissioners (if his salary is provided by
3 appropriation of the city council of the city and his salary
4 paid by the city) -- subject, however, in the case of such
5 persons not participants on December 31, 1959, to compliance
6 with the same qualifications and restrictions otherwise set
7 forth in this Section and made generally applicable to
8 employees or officers of the city concerning eligibility for
9 participation or membership.

10 Notwithstanding any other provision in this Section, any
11 person who first becomes employed in the law department of the
12 city on or after the effective date of this amendatory Act of
13 the 99th General Assembly shall be included within the
14 foregoing definition, effective upon the date the person first
15 becomes so employed, regardless of the nature of the
16 appointment the person holds under the provisions of a
17 personnel ordinance.

18 (h) After December 31, 1965, any person employed in the
19 public library of the city -- and any other person -- who was a
20 contributor and participant, on December 31, 1965, in the
21 pension fund in operation in the city on said date, by virtue
22 of the Public Library Employees' Pension Act.

23 (i) After December 31, 1968, any person employed in the
24 house of correction of the city, who was a contributor and
25 participant, on December 31, 1968, in the pension fund in
26 operation in the city on said date, by virtue of the House of

1 Correction Employees' Pension Act.

2 (j) Any person employed full-time on or after the effective
3 date of this amendatory Act of the 92nd General Assembly by the
4 Chicago Housing Authority who has elected to participate in
5 this Fund as provided in subsection (a) of Section 8-230.9.

6 (k) Any person employed full-time by the Public Building
7 Commission of the city who has elected to participate in this
8 Fund as provided in subsection (d) of Section 8-230.7.

9 (Source: P.A. 92-599, eff. 6-28-02.)

10 (40 ILCS 5/8-173) (from Ch. 108 1/2, par. 8-173)

11 (Text of Section WITHOUT the changes made by P.A. 98-641,
12 which has been held unconstitutional)

13 Sec. 8-173. Financing; tax levy.

14 (a) Except as provided in subsection (f) of this Section,
15 the city council of the city shall levy a tax annually upon all
16 taxable property in the city at a rate that will produce a sum
17 which, when added to the amounts deducted from the salaries of
18 the employees or otherwise contributed by them and the amounts
19 deposited under subsection (f), will be sufficient for the
20 requirements of this Article, but which when extended will
21 produce an amount not to exceed the greater of the following:

22 (a) the sum obtained by the levy of a tax of .1093% of the
23 value, as equalized or assessed by the Department of Revenue,
24 of all taxable property within such city, or (b) the sum of
25 \$12,000,000. However any city in which a Fund has been

1 established and in operation under this Article for more than 3
2 years prior to 1970 shall levy for the year 1970 a tax at a rate
3 on the dollar of assessed valuation of all taxable property
4 that will produce, when extended, an amount not to exceed 1.2
5 times the total amount of contributions made by employees to
6 the Fund for annuity purposes in the calendar year 1968, and,
7 for the year 1971 and 1972 such levy that will produce, when
8 extended, an amount not to exceed 1.3 times the total amount of
9 contributions made by employees to the Fund for annuity
10 purposes in the calendar years 1969 and 1970, respectively; and
11 for the year 1973 an amount not to exceed 1.365 times such
12 total amount of contributions made by employees for annuity
13 purposes in the calendar year 1971; and for the year 1974 an
14 amount not to exceed 1.430 times such total amount of
15 contributions made by employees for annuity purposes in the
16 calendar year 1972; and for the year 1975 an amount not to
17 exceed 1.495 times such total amount of contributions made by
18 employees for annuity purposes in the calendar year 1973; and
19 for the year 1976 an amount not to exceed 1.560 times such
20 total amount of contributions made by employees for annuity
21 purposes in the calendar year 1974; and for the year 1977 an
22 amount not to exceed 1.625 times such total amount of
23 contributions made by employees for annuity purposes in the
24 calendar year 1975; and for the year 1978 and each year
25 thereafter through levy year 2016, such levy as will produce,
26 when extended, an amount not to exceed the total amount of

1 contributions made by or on behalf of employees to the Fund for
2 annuity purposes in the calendar year 2 years prior to the year
3 for which the annual applicable tax is levied, multiplied by
4 1.690 for the years 1978 through 1998 and by 1.250 for the year
5 1999 and for each year thereafter through levy year 2016.
6 Beginning in levy year 2017, and in each year thereafter, the
7 levy shall not exceed the amount of the city's total required
8 contribution to the Fund for the next payment year, as
9 determined under subsection (a-5). For the purposes of this
10 Section, the payment year is the year immediately following the
11 levy year.

12 The tax shall be levied and collected in like manner with
13 the general taxes of the city, and shall be exclusive of and in
14 addition to the amount of tax the city is now or may hereafter
15 be authorized to levy for general purposes under any laws which
16 may limit the amount of tax which the city may levy for general
17 purposes. The county clerk of the county in which the city is
18 located, in reducing tax levies under the provisions of any Act
19 concerning the levy and extension of taxes, shall not consider
20 the tax herein provided for as a part of the general tax levy
21 for city purposes, and shall not include the same within any
22 limitation of the percent of the assessed valuation upon which
23 taxes are required to be extended for such city.

24 Revenues derived from such tax shall be paid to the city
25 treasurer of the city as collected and held by the city
26 treasurer ~~him~~ for the benefit of the fund.

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

4 The city may continue to use other lawfully available funds
5 in lieu of all or part of the levy, as provided under
6 subsection (f) of this Section.

7 (a-5) (1) Beginning in payment year 2018, the city's
8 required annual contribution to the Fund for payment years 2018
9 through 2022 shall be: for 2018, \$266,000,000; for 2019,
10 \$344,000,000; for 2020, \$421,000,000; for 2021, \$499,000,000;
11 and for 2022, \$576,000,000.

12 (2) For payment years 2023 through 2058, the city's
13 required annual contribution to the Fund shall be the amount
14 determined by the Fund to be equal to the sum of (i) the city's
15 portion of the projected normal cost for that fiscal year, plus
16 (ii) an amount determined on a level percentage of applicable
17 employee payroll basis (reflecting any limits on individual
18 participants' pay that apply for benefit and contribution
19 purposes under this plan) that is sufficient to bring the total
20 actuarial assets of the Fund up to 90% of the total actuarial
21 liabilities of the Fund by the end of 2058.

22 (3) For payment years after 2058, the city's required
23 annual contribution to the Fund shall be equal to the amount,
24 if any, needed to bring the total actuarial assets of the Fund
25 up to 90% of the total actuarial liabilities of the Fund as of
26 the end of the year. In making the determinations under

1 paragraphs (2) and (3) of this subsection, the actuarial
2 calculations shall be determined under the entry age normal
3 actuarial cost method, and any actuarial gains or losses from
4 investment return incurred in a fiscal year shall be recognized
5 in equal annual amounts over the 5-year period following the
6 fiscal year.

7 To the extent that the city's contribution for any of the
8 payment years referenced in this subsection is made with
9 property taxes, those property taxes shall be levied,
10 collected, and paid to the Fund in a like manner with the
11 general taxes of the city.

12 (a-10) If the city fails to transmit to the Fund
13 contributions required of it under this Article by December 31
14 of the year in which such contributions are due, the Fund may,
15 after giving notice to the city, certify to the State
16 Comptroller the amounts of the delinquent payments, and the
17 Comptroller must, beginning in payment year 2018, deduct and
18 deposit into the Fund the certified amounts or a portion of
19 those amounts from the following proportions of grants of State
20 funds to the city:

21 (1) in payment year 2018, one-third of the total amount
22 of any grants of State funds to the city;

23 (2) in payment year 2019, two-thirds of the total
24 amount of any grants of State funds to the city; and

25 (3) in payment year 2020 and each payment year
26 thereafter, the total amount of any grants of State funds

1 to the city.

2 The State Comptroller may not deduct from any grants of
3 State funds to the city more than the amount of delinquent
4 payments certified to the State Comptroller by the Fund.

5 (b) On or before July 1, 2017, and each July 1 thereafter
6 ~~January 10, annually,~~ the board shall certify to ~~notify~~ the
7 city council the annual amounts required under ~~of the~~
8 ~~requirements of~~ this Article, for which ~~that~~ the tax herein
9 provided shall be levied for the following ~~that current~~ year.

10 The board shall compute the amounts necessary to be credited to
11 the reserves established and maintained as herein provided, and
12 shall make an annual determination of the amount of the
13 required city contributions, and certify the results thereof to
14 the city council.

15 (c) In respect to employees of the city who are transferred
16 to the employment of a park district by virtue of the "Exchange
17 of Functions Act of 1957", the corporate authorities of the
18 park district shall annually levy a tax upon all the taxable
19 property in the park district at such rate per cent of the
20 value of such property, as equalized or assessed by the
21 Department of Revenue, as shall be sufficient, when added to
22 the amounts deducted from their salaries and otherwise
23 contributed by them to provide the benefits to which they and
24 their dependents and beneficiaries are entitled under this
25 Article. The city shall not levy a tax hereunder in respect to
26 such employees.

1 The tax so levied by the park district shall be in addition
2 to and exclusive of all other taxes authorized to be levied by
3 the park district for corporate, annuity fund, or other
4 purposes. The county clerk of the county in which the park
5 district is located, in reducing any tax levied under the
6 provisions of any act concerning the levy and extension of
7 taxes shall not consider such tax as part of the general tax
8 levy for park purposes, and shall not include the same in any
9 limitation of the per cent of the assessed valuation upon which
10 taxes are required to be extended for the park district. The
11 proceeds of the tax levied by the park district, upon receipt
12 by the district, shall be immediately paid over to the city
13 treasurer of the city for the uses and purposes of the fund.

14 The various sums to be contributed by the city and park
15 district and allocated for the purposes of this Article, and
16 any interest to be contributed by the city, shall be derived
17 from the revenue from the taxes authorized in this Section or
18 otherwise as expressly provided in this Section.

19 If it is not possible or practicable for the city to make
20 contributions for age and service annuity and widow's annuity
21 at the same time that employee contributions are made for such
22 purposes, such city contributions shall be construed to be due
23 and payable as of the end of the fiscal year for which the tax
24 is levied and shall accrue thereafter with interest at the
25 effective rate until paid.

26 (d) With respect to employees whose wages are funded as

1 participants under the Comprehensive Employment and Training
2 Act of 1973, as amended (P.L. 93-203, 87 Stat. 839, P.L.
3 93-567, 88 Stat. 1845), hereinafter referred to as CETA,
4 subsequent to October 1, 1978, and in instances where the board
5 has elected to establish a manpower program reserve, the board
6 shall compute the amounts necessary to be credited to the
7 manpower program reserves established and maintained as herein
8 provided, and shall make a periodic determination of the amount
9 of required contributions from the City to the reserve to be
10 reimbursed by the federal government in accordance with rules
11 and regulations established by the Secretary of the United
12 States Department of Labor or his designee, and certify the
13 results thereof to the City Council. Any such amounts shall
14 become a credit to the City and will be used to reduce the
15 amount which the City would otherwise contribute during
16 succeeding years for all employees.

17 (e) In lieu of establishing a manpower program reserve with
18 respect to employees whose wages are funded as participants
19 under the Comprehensive Employment and Training Act of 1973, as
20 authorized by subsection (d), the board may elect to establish
21 a special municipality contribution rate for all such
22 employees. If this option is elected, the City shall contribute
23 to the Fund from federal funds provided under the Comprehensive
24 Employment and Training Act program at the special rate so
25 established and such contributions shall become a credit to the
26 City and be used to reduce the amount which the City would

1 otherwise contribute during succeeding years for all
2 employees.

3 (f) In lieu of levying all or a portion of the tax required
4 under this Section in any year, the city may deposit with the
5 city treasurer ~~no later than March 1 of that year~~ for the
6 benefit of the fund, to be held in accordance with this
7 Article, an amount that, together with the taxes levied under
8 this Section for that year, is not less than the amount of the
9 city contributions for that year as certified by the board to
10 the city council. The deposit may be derived from any source
11 legally available for that purpose, including, but not limited
12 to, the proceeds of city borrowings. The making of a deposit
13 shall satisfy fully the requirements of this Section for that
14 year to the extent of the amounts so deposited. Amounts
15 deposited under this subsection may be used by the fund for any
16 of the purposes for which the proceeds of the tax levied by the
17 city under this Section may be used, including the payment of
18 any amount that is otherwise required by this Article to be
19 paid from the proceeds of that tax.

20 (Source: P.A. 90-31, eff. 6-27-97; 90-655, eff. 7-30-98;
21 90-766, eff. 8-14-98.)

22 (40 ILCS 5/8-174) (from Ch. 108 1/2, par. 8-174)

23 (Text of Section WITHOUT the changes made by P.A. 98-641,
24 which has been held unconstitutional)

25 Sec. 8-174. Contributions for age and service annuities for

1 present employees and future entrants. (a) Beginning on the
2 effective date and prior to July 1, 1947, 3 1/4%; and beginning
3 on July 1, 1947 and prior to July 1, 1953, 5%; and beginning
4 July 1, 1953, and prior to January 1, 1972, 6%; and beginning
5 January 1, 1972, 6-1/2% of each payment of the salary of each
6 present employee and future entrant, except as provided in
7 subsection (a-5) and (a-10), shall be contributed to the fund
8 as a deduction from salary for age and service annuity.

9 (a-5) Except as provided in subsection (a-10), for an
10 employee who on or after January 1, 2011 and prior to the
11 effective date of this amendatory Act of the 99th General
12 Assembly first became a member or participant under this
13 Article and made the election under item (i) of subsection
14 (d-10) of Section 1-160: prior to the effective date of this
15 amendatory Act of the 99th General Assembly, 6.5%; and
16 beginning on the effective date of this amendatory Act of the
17 99th General Assembly and prior to January 1, 2018, 7.5%; and
18 beginning January 1, 2018 and prior to January 1, 2019, 8.5%;
19 and beginning January 1, 2019 and thereafter, employee
20 contributions for those employees who made the election under
21 item (i) of subsection (d-10) of Section 1-160 shall be the
22 lesser of: (i) the total normal cost, calculated using the
23 entry age normal actuarial method, projected for that fiscal
24 year for the benefits and expenses of the plan of benefits
25 applicable to those members and participants who first became
26 members or participants on or after the effective date of this

1 amendatory Act of the 99th General Assembly and to those
2 employees who made the election under item (i) of subsection
3 (d-10) of Section 1-160, but not less than 6.5% of each payment
4 of salary combined with the employee contributions provided for
5 in subsection (b) of Section 8-137 and Section 8-182 of this
6 Article; or (ii) the aggregate employee contribution
7 consisting of 9.5% of each payment of salary combined with the
8 employee contributions provided for in subsection (b) of
9 Section 8-137 and 8-182 of this Article. If contributions are
10 reduced to less than the aggregate employee contribution
11 described in item (ii) of this subsection due to application of
12 the normal cost criterion, the employee contribution amount
13 shall be consistent from July 1 of the fiscal year through June
14 30 of that fiscal year. Beginning with the first pay period on
15 or after the date when the funded ratio of the fund is first
16 determined to have reached the 90% funding goal, and each pay
17 period thereafter for as long as the fund maintains a funding
18 ratio of 75% or more, employee contributions for age and
19 service annuity for those employees who made the election under
20 item (i) of subsection (d-10) of Section 1-160 shall be 5.5% of
21 each payment of salary. If the funding ratio falls below 75%,
22 then employee contributions for age and service annuity for
23 those employees who made the election under item (i) of
24 subsection (d-10) shall revert to 9.5% until such time as the
25 fund once again is determined to have reached a funding ratio
26 of 75%, at which time the 5.5% of salary contribution for age

1 and service annuity shall resume. An employee who made the
2 election under item (ii) of subsection (d-10) of Section 1-160
3 shall continue to have the contributions for age and service
4 annuity determined under subsection (a) of this Section.

5 The normal cost, for the purposes of this subsection (a-5)
6 and (a-10), shall be calculated by an enrolled actuary retained
7 by the City at the City's expense. The fund shall provide any
8 information that the actuary requests in order to calculate the
9 applicable normal cost.

10 (a-10) For each employee who on or after the effective date
11 of this amendatory Act of the 99th General Assembly first
12 becomes a member or participant under this Article, 9.5% of
13 each payment of salary shall be contributed to the fund as a
14 deduction from salary for age and service annuity. Beginning
15 January 1, 2018 and each year thereafter, employee
16 contributions for each employee subject to this subsection
17 (a-10) shall be the lesser of: (i) the total normal cost,
18 calculated using the entry age normal actuarial method,
19 projected for that fiscal year for the benefits and expenses of
20 the plan of benefits applicable to those members and
21 participants who first become members or participants on or
22 after the effective date of this amendatory Act of the 99th
23 General Assembly and to those employees who made the election
24 under item (i) of subsection (d-10) of Section 1-160, but not
25 less than 6.5% of each payment of salary combined with the
26 employee contributions provided for in subsection (b) of

1 Section 8-137 and Section 8-182 of this Article; or (ii) the
2 aggregate employee contribution consisting of 9.5% of each
3 payment of salary combined with the employee contributions
4 provided for in subsection (b) of Section 8-137 and Section
5 8-182 of this Article. If contributions are reduced to less
6 than the aggregate employee contribution described in item (ii)
7 of subsection (a-10) due to application of the normal cost
8 criterion, the employee contribution amount shall be
9 consistent from July 1 of the fiscal year through June 30 of
10 that fiscal year. Beginning with the first pay period on or
11 after the date when the funded ratio of the fund is first
12 determined to have reached the 90% funding goal, and each pay
13 period thereafter as long as the Fund maintains a funding ratio
14 of 75% or more, employee contributions for age and service
15 annuity for each employee subject to this subsection (a-10)
16 shall be 5.5% of each payment of salary. If the funding ratio
17 falls below 75%, then employee contributions for age and
18 service annuity for each employee subject to this subsection
19 (a-10) shall revert to 9.5% until such time as the fund once
20 again is determined to have reached a funding ratio of 75%, at
21 which time the 5.5% of salary contribution for age and service
22 annuity shall resume.

23 Such deductions beginning on the effective date and prior
24 to July 1, 1947 shall be made for a future entrant while he is
25 in the service until he attains age 65 and for a present
26 employee while he is in the service until the amount so

1 deducted from his salary with the amount deducted from his
2 salary or paid by him according to law to any municipal pension
3 fund in force on the effective date with interest on both such
4 amounts at 4% per annum equals the sum that would have been to
5 his credit from sums deducted from his salary if deductions at
6 the rate herein stated had been made during his entire service
7 until he attained age 65 with interest at 4% per annum for the
8 period subsequent to his attainment of age 65. Such deductions
9 beginning July 1, 1947 shall be made and continued for
10 employees while in the service.

11 (b) (Blank). ~~Concurrently with each employee contribution~~
12 ~~beginning on the effective date and prior to July 1, 1947 the~~
13 ~~city shall contribute 5 3/4%; and beginning on July 1, 1947 and~~
14 ~~prior to July 1, 1953, 7%; and beginning July 1, 1953, 6% of~~
15 ~~each payment of such salary until the employee attains age 65.~~

16 (c) Each employee contribution made prior to the date the
17 age and service annuity for an employee is fixed and each
18 corresponding city contribution shall be credited to the
19 employee and allocated to the account of the employee for whose
20 benefit it is made.

21 (d) Notwithstanding Section 1-103.1, the changes to this
22 Section made by this amendatory Act of the 99th General
23 Assembly apply regardless of whether the employee was in active
24 service on or after the effective date of this amendatory Act
25 of the 99th General Assembly.

26 (Source: P.A. 93-654, eff. 1-16-04.)

1 (40 ILCS 5/8-228.5 new)

2 Sec. 8-228.5. Action by Fund against third party;
3 subrogation. In those cases where the injury or death for which
4 a disability or death benefit is payable under this Article was
5 caused under circumstances creating a legal liability on the
6 part of some person or entity (hereinafter "third party") to
7 pay damages to the employee, legal proceedings may be taken
8 against such third party to recover damages notwithstanding the
9 Fund's payment of or liability to pay disability or death
10 benefits under this Article. In such case, however, if the
11 action against such third party is brought by the injured
12 employee or his or her personal representative and judgment is
13 obtained and paid, or settlement is made with such third party,
14 either with or without suit, from the amount received by such
15 employee or personal representative, then there shall be paid
16 to the Fund the amount of money representing the death or
17 disability benefits paid or to be paid to the disabled employee
18 pursuant to the provisions of this Article. In all
19 circumstances where the action against a third party is brought
20 by the disabled employee or his or her personal representative,
21 the Fund shall have a claim or lien upon any recovery, by
22 judgment or settlement, out of which the disabled employee or
23 his or her personal representative might be compensated from
24 such third party. The Fund may satisfy or enforce any such
25 claim or lien only from that portion of a recovery that has

1 been, or can be, allocated or attributed to past and future
2 lost salary, which recovery is by judgment or settlement. The
3 Fund's claim or lien shall not be satisfied or enforced from
4 that portion of a recovery that has been, or can be, allocated
5 or attributed to medical care and treatment, pain and
6 suffering, loss of consortium, and attorney's fees and costs.

7 Where action is brought by the disabled employee or his or
8 her personal representative he or she shall forthwith notify
9 the Fund, by personal service or registered mail, of such fact
10 and of the name of the court where such suit is brought, filing
11 proof of such notice in such action. The Fund may, at any time
12 thereafter, intervene in such action upon its own motion.
13 Therefore, no release or settlement of claim for damages by
14 reason of injury to the disabled employee, and no satisfaction
15 of judgment in such proceedings, shall be valid without the
16 written consent of the Board of Trustees authorized by this
17 Code to administer the Fund created under this Article, except
18 that such consent shall be provided expeditiously following a
19 settlement or judgment.

20 In the event the disabled employee or his or her personal
21 representative has not instituted an action against a third
22 party at a time when only 3 months remain before such action
23 would thereafter be barred by law, the Fund may, in its own
24 name or in the name of the personal representative, commence a
25 proceeding against such third party seeking the recovery of all
26 damages on account of injuries caused to the employee. From any

1 amount so recovered, the Fund shall pay to the personal
2 representative of such disabled employee all sums collected
3 from such third party by judgment or otherwise in excess of the
4 amount of disability or death benefits paid or to be paid under
5 this Article to the disabled employee or his or her personal
6 representative, and such costs, attorney's fees, and
7 reasonable expenses as may be incurred by the Fund in making
8 the collection or in enforcing such liability. The Fund's
9 recovery shall be satisfied only from that portion of a
10 recovery that has been, or can be, allocated or attributed to
11 past and future lost salary, which recovery is by judgment or
12 settlement. The Fund's recovery shall not be satisfied from
13 that portion of the recovery that has been or can be allocated
14 or attributed to medical care and treatment, pain and
15 suffering, loss of consortium, and attorney's fees and costs.

16 Additionally, with respect to any right of subrogation
17 asserted by the Fund under this Section, the Fund, in the
18 exercise of discretion, may determine what amount from past or
19 future salary shall be appropriate under the circumstances to
20 collect from the recovery obtained on behalf of the disabled
21 employee.

22 This Section applies only to persons who first become
23 members or participants under this Article on or after the
24 effective date of this amendatory Act of 99th General Assembly.

1 Sec. 8-243.2. Alternative annuity for city officers.

2 (a) For the purposes of this Section and Sections 8-243.1
3 and 8-243.3, "city officer" means the city clerk, the city
4 treasurer, or an alderman of the city elected by vote of the
5 people, while serving in that capacity or as provided in
6 subsection (f), who has elected to participate in the Fund.

7 (b) Any elected city officer, while serving in that
8 capacity or as provided in subsection (f), may elect to
9 establish alternative credits for an alternative annuity by
10 electing in writing to make additional optional contributions
11 in accordance with this Section and the procedures established
12 by the board. Such elected city officer may discontinue making
13 the additional optional contributions by notifying the Fund in
14 writing in accordance with this Section and procedures
15 established by the board.

16 Additional optional contributions for the alternative
17 annuity shall be as follows:

18 (1) For service after the option is elected, an
19 additional contribution of 3% of salary shall be
20 contributed to the Fund on the same basis and under the
21 same conditions as contributions required under Sections
22 8-174 and 8-182.

23 (2) For service before the option is elected, an
24 additional contribution of 3% of the salary for the
25 applicable period of service, plus interest at the
26 effective rate from the date of service to the date of

1 payment. All payments for past service must be paid in full
2 before credit is given. No additional optional
3 contributions may be made for any period of service for
4 which credit has been previously forfeited by acceptance of
5 a refund, unless the refund is repaid in full with interest
6 at the effective rate from the date of refund to the date
7 of repayment.

8 (c) In lieu of the retirement annuity otherwise payable
9 under this Article, any city officer elected by vote of the
10 people who (1) has elected to participate in the Fund and make
11 additional optional contributions in accordance with this
12 Section, and (2) has attained age 55 with at least 10 years of
13 service credit, or has attained age 60 with at least 8 years of
14 service credit, may elect to have his retirement annuity
15 computed as follows: 3% of the participant's salary at the time
16 of termination of service for each of the first 8 years of
17 service credit, plus 4% of such salary for each of the next 4
18 years of service credit, plus 5% of such salary for each year
19 of service credit in excess of 12 years, subject to a maximum
20 of 80% of such salary. To the extent such elected city officer
21 has made additional optional contributions with respect to only
22 a portion of his years of service credit, his retirement
23 annuity will first be determined in accordance with this
24 Section to the extent such additional optional contributions
25 were made, and then in accordance with the remaining Sections
26 of this Article to the extent of years of service credit with

1 respect to which additional optional contributions were not
2 made.

3 (d) In lieu of the disability benefits otherwise payable
4 under this Article, any city officer elected by vote of the
5 people who (1) has elected to participate in the Fund, and (2)
6 has become permanently disabled and as a consequence is unable
7 to perform the duties of his office, and (3) was making
8 optional contributions in accordance with this Section at the
9 time the disability was incurred, may elect to receive a
10 disability annuity calculated in accordance with the formula in
11 subsection (c). For the purposes of this subsection, such
12 elected city officer shall be considered permanently disabled
13 only if: (i) disability occurs while in service as an elected
14 city officer and is of such a nature as to prevent him from
15 reasonably performing the duties of his office at the time; and
16 (ii) the board has received a written certification by at least
17 2 licensed physicians appointed by it stating that such officer
18 is disabled and that the disability is likely to be permanent.

19 (e) Refunds of additional optional contributions shall be
20 made on the same basis and under the same conditions as
21 provided under Sections 8-168, 8-170 and 8-171. Interest shall
22 be credited at the effective rate on the same basis and under
23 the same conditions as for other contributions. Optional
24 contributions shall be accounted for in a separate Elected City
25 Officer Optional Contribution Reserve. Optional contributions
26 under this Section shall be included in the amount of employee

1 contributions used to compute the tax levy under Section 8-173.

2 (f) The effective date of this plan of optional alternative
3 benefits and contributions shall be July 1, 1990, or the date
4 upon which approval is received from the U.S. Internal Revenue
5 Service, whichever is later.

6 The plan of optional alternative benefits and
7 contributions shall not be available to any former city officer
8 or employee receiving an annuity from the Fund on the effective
9 date of the plan, unless he re-enters service as an elected
10 city officer and renders at least 3 years of additional service
11 after the date of re-entry. However, a person who holds office
12 as a city officer on June 1, 1995 may elect to participate in
13 the plan, to transfer credits into the Fund from other Articles
14 of this Code, and to make the contributions required for prior
15 service, until 30 days after the effective date of this
16 amendatory Act of the 92nd General Assembly, notwithstanding
17 the ending of his term of office prior to that effective date;
18 in the event that the person is already receiving an annuity
19 from this Fund or any other Article of this Code at the time of
20 making this election, the annuity shall be recalculated to
21 include any increase resulting from participation in the plan,
22 with such increase taking effect on the effective date of the
23 election.

24 (g) Notwithstanding any other provision in this Section or
25 in this Code to the contrary, any person who first becomes a
26 city officer, as defined in this Section, on or after the

1 effective date of this amendatory Act of the 99th General
2 Assembly, shall not be eligible for the alternative annuity or
3 alternative disability benefits as provided in subsections
4 (a), (b), (c), and (d) of this Section or for the alternative
5 survivor's benefits as provided in Section 8-243.3. Such person
6 shall not be eligible, or be required, to make any additional
7 contributions beyond those required of other participants
8 under Sections 8-137, 8-174, and 8-182. The retirement annuity,
9 disability benefits, and survivor's benefits for a person who
10 first becomes a city officer on or after the effective date of
11 this amendatory Act of the 99th General Assembly shall be
12 determined pursuant to the provisions otherwise provided in
13 this Article.

14 (Source: P.A. 92-599, eff. 6-28-02.)

15 (40 ILCS 5/8-244) (from Ch. 108 1/2, par. 8-244)

16 Sec. 8-244. Annuities, etc., exempt.

17 (a) All annuities, refunds, pensions, and disability
18 benefits granted under this Article, shall be exempt from
19 attachment or garnishment process and shall not be seized,
20 taken, subjected to, detained, or levied upon by virtue of any
21 judgment, or any process or proceeding whatsoever issued out of
22 or by any court in this State, for the payment and satisfaction
23 in whole or in part of any debt, damage, claim, demand, or
24 judgment against any annuitant, pensioner, participant, refund
25 applicant, or other beneficiary hereunder.

1 (b) No annuitant, pensioner, refund applicant, or other
2 beneficiary shall have any right to transfer or assign his
3 annuity, refund, or disability benefit or any part thereof by
4 way of mortgage or otherwise, except that:

5 (1) an annuitant or pensioner who elects or has elected
6 to participate in a ~~non-profit group~~ hospital care plan or
7 ~~group~~ medical surgical plan may with the approval of the
8 board and in conformity with its regulations authorize the
9 board to withhold from the pension or annuity the current
10 premium for such coverage and pay such premium to the
11 organization underwriting such plan;

12 (2) in the case of refunds, a participant may pledge by
13 assignment, power of attorney, or otherwise, as security
14 for a loan from a legally operating credit union making
15 loans only to participants in certain public employee
16 pension funds described in the Illinois Pension Code, all
17 or part of any refund which may become payable to him in
18 the event of his separation from service; and

19 (3) the board, in its discretion, may pay to the wife
20 of any annuitant, pensioner, refund applicant, or
21 disability beneficiary, such an amount out of her husband's
22 annuity pension, refund, or disability benefit as any court
23 of competent jurisdiction may order, or such an amount as
24 the board may consider necessary for the support of his
25 wife or children, or both in the event of his disappearance
26 or unexplained absence or of his failure to support such

1 wife or children.

2 (c) The board may retain out of any future annuity,
3 pension, refund or disability benefit payments, such amount, or
4 amounts, as it may require for the repayment of any moneys paid
5 to any annuitant, pensioner, refund applicant, or disability
6 beneficiary through misrepresentation, fraud or error. Any
7 such action of the board shall relieve and release the board
8 and the fund from any liability for any moneys so withheld.

9 (d) Whenever an annuity or disability benefit is payable to
10 a minor or to a person certified by a medical doctor to be
11 under legal disability, the board, in its discretion and when
12 it is in the best interest of the person concerned, may waive
13 guardianship proceedings and pay the annuity or benefit to the
14 person providing or caring for the minor or person under legal
15 disability.

16 In the event that a person certified by a medical doctor to
17 be under legal disability (i) has no spouse, blood relative, or
18 other person providing or caring for him or her, (ii) has no
19 guardian of his or her estate, and (iii) is confined to a
20 Medicare approved, State certified nursing home or to a
21 publicly owned and operated nursing home, hospital, or mental
22 institution, the Board may pay any benefit due that person to
23 the nursing home, hospital, or mental institution, to be used
24 for the sole benefit of the person under legal disability.

25 Payment in accordance with this subsection to a person,
26 nursing home, hospital, or mental institution for the benefit

1 of a minor or person under legal disability shall be an
2 absolute discharge of the Fund's liability with respect to the
3 amount so paid. Any person, nursing home, hospital, or mental
4 institution accepting payment under this subsection shall
5 notify the Fund of the death or any other relevant change in
6 the status of the minor or person under legal disability.

7 (Source: P.A. 91-887, eff. 7-6-00.)

8 (40 ILCS 5/8-244.1) (from Ch. 108 1/2, par. 8-244.1)

9 Sec. 8-244.1. Payment of annuity other than direct.

10 (a) The board, at the written direction and request of any
11 annuitant, may, solely as an accommodation to such annuitant,
12 pay the annuity due him to a bank, savings and loan association
13 or any other financial institution insured by an agency of the
14 federal government, for deposit to his account, or to a bank or
15 trust company for deposit in a trust established by him for his
16 benefit with such bank, savings and loan association or trust
17 company, and such annuitant may withdraw such direction at any
18 time. The board may also, in the case of any disability
19 beneficiary or annuitant for whom no estate guardian has been
20 appointed and who is confined in a publicly owned and operated
21 mental institution, pay such disability benefit or annuity due
22 such person to the superintendent or other head of such
23 institution or hospital for deposit to such person's trust fund
24 account maintained for him by such institution or hospital, if
25 by law such trust fund accounts are authorized or recognized.

1 (b) An annuitant formerly employed by the City of Chicago
2 may authorize the withholding of a portion of his or her
3 annuity for payment of dues to the labor organization which
4 formerly represented the annuitant when the annuitant was an
5 active employee; however, no withholding shall be required
6 under this subsection for payment to one labor organization
7 unless a minimum of 25 annuitants authorize such withholding.
8 The Board shall prescribe a form for the authorization of
9 withholding of dues, release of name, social security number
10 and address and shall provide such forms to employees,
11 annuitants and labor organizations upon request. Amounts
12 withheld by the Board under this subsection shall be promptly
13 paid over to the designated organizations, indicating the
14 names, social security numbers and addresses of annuitants on
15 whose behalf dues were withheld.

16 At the request and at the expense of the labor organization
17 that formerly represented the annuitant, the City of Chicago
18 shall coordinate mailings no more than twice in any
19 twelve-month period to such annuitants and the Board shall
20 supply current annuitant addresses to the City of Chicago upon
21 request. These mailings shall be limited to informing the
22 annuitants of their rights under this subsection (b), the form
23 authorizing the withholding of dues from their annuity and
24 information supplied by the labor organization pertinent to the
25 decision of whether to exercise the rights of this subsection.
26 ~~To meet this obligation, the City of Chicago shall, upon~~

1 ~~request, create and update records of all retirees for each~~
2 ~~labor organization as far back in time as records permit,~~
3 ~~including their names, addresses, phone numbers and social~~
4 ~~security numbers.~~

5 (Source: P.A. 90-766, eff. 8-14-98.)

6 (40 ILCS 5/8-251) (from Ch. 108 1/2, par. 8-251)

7 Sec. 8-251. Felony conviction.

8 None of the benefits provided for in this Article shall be
9 paid to any person who is convicted of any felony relating to
10 or arising out of or in connection with his service as a
11 municipal employee.

12 This section shall not operate to impair any contract or
13 vested right heretofore acquired under any law or laws
14 continued in this Article, nor to preclude the right to a
15 refund.

16 Any refund required under this Article shall be calculated
17 based on that person's contributions to the Fund, less the
18 amount of any annuity benefit previously received by the person
19 or his or her beneficiaries. The changes made to this Section
20 by this amendatory Act of the 99th General Assembly apply only
21 to persons who first become participants under this Article on
22 or after the effective date of this amendatory Act of the 99th
23 General Assembly.

24 All future entrants entering service subsequent to July 11,
25 1955 shall be deemed to have consented to the provisions of

1 this section as a condition of coverage.

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

3 (40 ILCS 5/11-125.9 new)

4 Sec. 11-125.9 Action by Fund against third party;
5 subrogation. In those cases where the injury or death for which
6 a disability or death benefit is payable under this Article was
7 caused under circumstances creating a legal liability on the
8 part of some person or entity (hereinafter "third party") to
9 pay damages to the employee, legal proceedings may be taken
10 against such third party to recover damages notwithstanding the
11 Fund's payment of or liability to pay disability or death
12 benefits under this Article. In such case, however, if the
13 action against such third party is brought by the injured
14 employee or his or her personal representative and judgment is
15 obtained and paid, or settlement is made with such third party,
16 either with or without suit, from the amount received by such
17 employee or personal representative, then there shall be paid
18 to the Fund the amount of money representing the death or
19 disability benefits paid or to be paid to the disabled employee
20 pursuant to the provisions of this Article. In all
21 circumstances where the action against a third party is brought
22 by the disabled employee or his or her personal representative,
23 the Fund shall have a claim or lien upon any recovery, by
24 judgment or settlement, out of which the disabled employee or
25 his or her personal representative might be compensated from

1 such third party. The Fund may satisfy or enforce any such
2 claim or lien only from that portion of a recovery that has
3 been, or can be, allocated or attributed to past and future
4 lost salary, which recovery is by judgment or settlement. The
5 Fund's claim or lien shall not be satisfied or enforced from
6 that portion of a recovery that has been, or can be, allocated
7 or attributed to medical care and treatment, pain and
8 suffering, loss of consortium, and attorney's fees and costs.
9 Where action is brought by the disabled employee or his or her
10 personal representative he or she shall forthwith notify the
11 Fund, by personal service or registered mail, of such fact and
12 of the name of the court where such suit is brought, filing
13 proof of such notice in such action. The Fund may, at any time
14 thereafter, intervene in such action upon its own motion.
15 Therefore, no release or settlement of claim for damages by
16 reason of injury to the disabled employee, and no satisfaction
17 of judgment in such proceedings, shall be valid without the
18 written consent of the Board of Trustees authorized by this
19 Code to administer the Fund created under this Article, except
20 that such consent shall be provided expeditiously following a
21 settlement or judgment.

22 In the event the disabled employee or his or her personal
23 representative has not instituted an action against a third
24 party at a time when only 3 months remain before such action
25 would thereafter be barred by law, the Fund may, in its own
26 name or in the name of the personal representative, commence a

1 proceeding against such third party seeking the recovery of all
2 damages on account of injuries caused to the employee. From any
3 amount so recovered, the Fund shall pay to the personal
4 representative of such disabled employee all sums collected
5 from such third party by judgment or otherwise in excess of the
6 amount of disability or death benefits paid or to be paid under
7 this Article to the disabled employee or his or her personal
8 representative, and such costs, attorney's fees, and
9 reasonable expenses as may be incurred by the Fund in making
10 the collection or in enforcing such liability. The Fund's
11 recovery shall be satisfied only from that portion of a
12 recovery that has been, or can be, allocated or attributed to
13 past and future lost salary, which recovery is by judgment or
14 settlement. The Fund's recovery shall not be satisfied from
15 that portion of the recovery that has been or can be allocated
16 or attributed to medical care and treatment, pain and
17 suffering, loss of consortium, and attorney's fees and costs.
18 Additionally, with respect to any right of subrogation asserted
19 by the Fund under this Section, the Fund, in the exercise of
20 discretion, may determine what amount from past or future
21 salary shall be appropriate under the circumstances to collect
22 from the recovery obtained on behalf of the disabled employee.

23 This Section applies only to persons who first become
24 members or participants under this Article on or after the
25 effective date of this amendatory Act of 99th General Assembly.

1 (40 ILCS 5/11-169) (from Ch. 108 1/2, par. 11-169)

2 (Text of Section WITHOUT the changes made by P.A. 98-641,
3 which has been held unconstitutional)
4 Sec. 11-169. Financing; tax levy.

5 (a) Except as provided in subsection (f) of this Section,
6 the city council of the city shall levy a tax annually upon all
7 taxable property in the city at the rate that will produce a
8 sum which, when added to the amounts deducted from the salaries
9 of the employees or otherwise contributed by them and the
10 amounts deposited under subsection (f), will be sufficient for
11 the requirements of this Article. For the years prior to the
12 year 1950 the tax rate shall be as provided for under "The 1935
13 Act". Beginning with the year 1950 to and including the year
14 1969 such tax shall be not more than .036% annually of the
15 value, as equalized or assessed by the Department of Revenue,
16 of all taxable property within such city. Beginning with the
17 year 1970 and each year thereafter through levy year 2016, the
18 city shall levy a tax annually at a rate on the dollar of the
19 value, as equalized or assessed by the Department of Revenue of
20 all taxable property within such city that will produce, when
21 extended, not to exceed an amount equal to the total amount of
22 contributions by the employees to the fund made in the calendar
23 year 2 years prior to the year for which the annual applicable
24 tax is levied, multiplied by 1.1 for the years 1970, 1971 and
25 1972; 1.145 for the year 1973; 1.19 for the year 1974; 1.235
26 for the year 1975; 1.280 for the year 1976; 1.325 for the year

1 1977; 1.370 for the years 1978 through 1998; and 1.000 for the
2 year 1999 and for each year thereafter through levy year 2016.
3 Beginning in levy year 2017, and in each year thereafter, the
4 levy shall not exceed the amount of the city's total required
5 contribution to the Fund for the next payment year, as
6 determined under subsection (a-5). For the purposes of this
7 Section, the payment year is the year immediately following the
8 levy year.

9 The tax shall be levied and collected in like manner with
10 the general taxes of the city, and shall be exclusive of and in
11 addition to the amount of tax the city is now or may hereafter
12 be authorized to levy for general purposes under any laws which
13 may limit the amount of tax which the city may levy for general
14 purposes. The county clerk of the county in which the city is
15 located, in reducing tax levies under the provisions of any Act
16 concerning the levy and extension of taxes, shall not consider
17 the tax herein provided for as a part of the general tax levy
18 for city purposes, and shall not include the same within any
19 limitation of the per cent of the assessed valuation upon which
20 taxes are required to be extended for such city.

21 Revenues derived from such tax shall be paid to the city
22 treasurer of the city as collected and held by the city
23 treasurer ~~him~~ for the benefit of the fund.

24 If the payments on account of taxes are insufficient during
25 any year to meet the requirements of this Article, the city may
26 issue tax anticipation warrants against the current tax levy.

1 The city may continue to use other lawfully available funds
2 in lieu of all or part of the levy, as provided under
3 subsection (f) of this Section.

4 (a-5) (1) Beginning in payment year 2018, the city's
5 required annual contribution to the Fund for payment years 2018
6 through 2022 shall be: for 2018, \$36,000,000; for 2019,
7 \$48,000,000; for 2020, \$60,000,000; for 2021, \$72,000,000; and
8 for 2022, \$84,000,000.

9 (2) For payment years 2023 through 2058, the city's
10 required annual contribution to the Fund shall be the amount
11 determined by the Fund to be equal to the sum of (i) the city's
12 portion of projected normal cost for that fiscal year, plus
13 (ii) an amount determined on a level percentage of applicable
14 employee payroll basis that is sufficient to bring the total
15 actuarial assets of the Fund up to 90% of the total actuarial
16 liabilities of the Fund by the end of 2058.

17 (3) For payment years after 2058, the city's required
18 annual contribution to the Fund shall be equal to the amount,
19 if any, needed to bring the total actuarial assets of the Fund
20 up to 90% of the total actuarial liabilities of the Fund as of
21 the end of the year. In making the determinations under
22 paragraphs (2) and (3) of this subsection, the actuarial
23 calculations shall be determined under the entry age normal
24 actuarial cost method, and any actuarial gains or losses from
25 investment return incurred in a fiscal year shall be recognized
26 in equal annual amounts over the 5-year period following the

1 fiscal year.

2 To the extent that the city's contribution for any of the
3 payment years referenced in this subsection is made with
4 property taxes, those property taxes shall be levied,
5 collected, and paid to the Fund in a like manner with the
6 general taxes of the city.

7 (a-10) If the city fails to transmit to the Fund
8 contributions required of it under this Article by December 31
9 of the year in which such contributions are due, the Fund may,
10 after giving notice to the city, certify to the State
11 Comptroller the amounts of the delinquent payments, and the
12 Comptroller must, beginning in payment year 2018, deduct and
13 deposit into the Fund the certified amounts or a portion of
14 those amounts from the following proportions of grants of State
15 funds to the city:

16 (1) in payment year 2018, one-third of the total amount
17 of any grants of State funds to the city;

18 (2) in payment year 2019, two-thirds of the total
19 amount of any grants of State funds to the city; and

20 (3) in payment year 2020 and each payment year
21 thereafter, the total amount of any grants of State funds
22 to the city.

23 The State Comptroller may not deduct from any grants of
24 State funds to the city more than the amount of delinquent
25 payments certified to the State Comptroller by the Fund.

26 (b) On or before July 1, 2017, and each July 1 thereafter

1 ~~January 10, annually,~~ the board shall certify to ~~notify~~ the
2 city council the annual amounts required under ~~of the~~
3 ~~requirement of~~ this Article, for which ~~that~~ the tax herein
4 provided shall be levied for the following ~~that current~~ year.
5 The board shall compute the amounts necessary for the purposes
6 of this fund to be credited to the reserves established and
7 maintained as herein provided, and shall make an annual
8 determination of the amount of the required city contributions;
9 and certify the results thereof to the city council.

10 (c) In respect to employees of the city who are transferred
11 to the employment of a park district by virtue of "Exchange of
12 Functions Act of 1957" the corporate authorities of the park
13 district shall annually levy a tax upon all the taxable
14 property in the park district at such rate per cent of the
15 value of such property, as equalized or assessed by the
16 Department of Revenue, as shall be sufficient, when added to
17 the amounts deducted from their salaries and otherwise
18 contributed by them, to provide the benefits to which they and
19 their dependents and beneficiaries are entitled under this
20 Article. The city shall not levy a tax hereunder in respect to
21 such employees.

22 The tax so levied by the park district shall be in addition
23 to and exclusive of all other taxes authorized to be levied by
24 the park district for corporate, annuity fund, or other
25 purposes. The county clerk of the county in which the park
26 district is located, in reducing any tax levied under the

1 provisions of any Act concerning the levy and extension of
2 taxes shall not consider such tax as part of the general tax
3 levy for park purposes, and shall not include the same in any
4 limitation of the per cent of the assessed valuation upon which
5 taxes are required to be extended for the park district. The
6 proceeds of the tax levied by the park district, upon receipt
7 by the district, shall be immediately paid over to the city
8 treasurer of the city for the uses and purposes of the fund.

9 The various sums to be contributed by the city and
10 allocated for the purposes of this Article, and any interest to
11 be contributed by the city, shall be taken from the revenue
12 derived from the taxes authorized in this Section, and no money
13 of such city derived from any source other than the levy and
14 collection of those taxes or the sale of tax anticipation
15 warrants in accordance with the provisions of this Article
16 shall be used to provide revenue for this Article, except as
17 expressly provided in this Section.

18 If it is not possible for the city to make contributions
19 for age and service annuity and widow's annuity concurrently
20 with the employee's contributions made for such purposes, such
21 city shall make such contributions as soon as possible and
22 practicable thereafter with interest thereon at the effective
23 rate to the time they shall be made.

24 (d) With respect to employees whose wages are funded as
25 participants under the Comprehensive Employment and Training
26 Act of 1973, as amended (P.L. 93-203, 87 Stat. 839, P.L.

1 93-567, 88 Stat. 1845), hereinafter referred to as CETA,
2 subsequent to October 1, 1978, and in instances where the board
3 has elected to establish a manpower program reserve, the board
4 shall compute the amounts necessary to be credited to the
5 manpower program reserves established and maintained as herein
6 provided, and shall make a periodic determination of the amount
7 of required contributions from the City to the reserve to be
8 reimbursed by the federal government in accordance with rules
9 and regulations established by the Secretary of the United
10 States Department of Labor or his designee, and certify the
11 results thereof to the City Council. Any such amounts shall
12 become a credit to the City and will be used to reduce the
13 amount which the City would otherwise contribute during
14 succeeding years for all employees.

15 (e) In lieu of establishing a manpower program reserve with
16 respect to employees whose wages are funded as participants
17 under the Comprehensive Employment and Training Act of 1973, as
18 authorized by subsection (d), the board may elect to establish
19 a special municipality contribution rate for all such
20 employees. If this option is elected, the City shall contribute
21 to the Fund from federal funds provided under the Comprehensive
22 Employment and Training Act program at the special rate so
23 established and such contributions shall become a credit to the
24 City and be used to reduce the amount which the City would
25 otherwise contribute during succeeding years for all
26 employees.

1 (f) In lieu of levying all or a portion of the tax required
2 under this Section in any year, the city may deposit ~~with the~~
3 ~~city treasurer no later than March 1~~ of that year for the
4 benefit of the fund, to be held in accordance with this
5 Article, an amount that, together with the taxes levied under
6 this Section for that year, is not less than the amount of the
7 city contributions for that year as certified by the board to
8 the city council. The deposit may be derived from any source
9 legally available for that purpose, including, but not limited
10 to, the proceeds of city borrowings. The making of a deposit
11 shall satisfy fully the requirements of this Section for that
12 year to the extent of the amounts so deposited. Amounts
13 deposited under this subsection may be used by the fund for any
14 of the purposes for which the proceeds of the tax levied by the
15 city under this Section may be used, including the payment of
16 any amount that is otherwise required by this Article to be
17 paid from the proceeds of that tax.

18 (Source: P.A. 90-31, eff. 6-27-97; 90-766, eff. 8-14-98.)

19 (40 ILCS 5/11-170) (from Ch. 108 1/2, par. 11-170)

20 (Text of Section WITHOUT the changes made by P.A. 98-641,
21 which has been held unconstitutional)

22 Sec. 11-170. Contributions for age and service annuities
23 for present employees, future entrants and re-entrants.

24 (a) Beginning on the effective date and prior to July 1,
25 1947, 3 1/4%; and beginning on July 1, 1947 and prior to July

1 1, 1953, 5%; and beginning July 1, 1953 and prior to January 1,
2 1972, 6%; and beginning January 1, 1972, 6 1/2% of each payment
3 of the salary of each present employee, future entrant and
4 re-entrant, except as provided in subsection (a-5) and (a-10),
5 shall be contributed to the fund as a deduction from salary for
6 age and service annuity.

7 (a-5) Except as provided in subsection (a-10), for an
8 employee who on or after January 1, 2011 and prior to the
9 effective date of this amendatory Act of the 99th General
10 Assembly first became a member or participant under this
11 Article and made the election under item (i) of subsection
12 (d-10) of Section 1-160: prior to the effective date of this
13 amendatory Act of the 99th General Assembly, 6.5%; and
14 beginning on the effective date of this amendatory Act of the
15 99th General Assembly and prior to January 1, 2018, 7.5%; and
16 beginning January 1, 2018 and prior to January 1, 2019, 8.5%;
17 and beginning January 1, 2019 and thereafter, employee
18 contributions for those employees who made the election under
19 item (i) of subsection (d-10) of Section 1-160 shall be the
20 lesser of: (i) the total normal cost, calculated using the
21 entry age normal actuarial method, projected for that fiscal
22 year for the benefits and expenses of the plan of benefits
23 applicable to those members and participants who first became
24 members or participants on or after the effective date of this
25 amendatory Act of the 99th General Assembly and to those
26 employees who made the election under item (i) of subsection

1 (d-10) of Section 1-160, but not less than 6.5% of each payment
2 of salary combined with the employee contributions provided for
3 in subsection (b) of Section 11-134.1 and Section 11-174 of
4 this Article; or (ii) the aggregate employee contribution
5 consisting of 9.5% of each payment of salary combined with the
6 employee contributions provided for in subsection (b) of
7 Section 11-134.1 and 11-174 of this Article. If contributions
8 are reduced to less than the aggregate employee contribution
9 described in item (ii) of this subsection due to application of
10 the normal cost criterion, the employee contribution amount
11 shall be consistent from July 1 of the fiscal year through June
12 30 of that fiscal year. Beginning with the first pay period on
13 or after the date when the funded ratio of the fund is first
14 determined to have reached the 90% funding goal, and each pay
15 period thereafter for as long as the fund maintains a funding
16 ratio of 75% or more, employee contributions for age and
17 service annuity for those employees who made the election under
18 item (i) of subsection (d-10) of Section 1-160 shall be 5.5% of
19 each payment of salary. If the funding ratio falls below 75%,
20 then employee contributions for age and service annuity for
21 those employees who made the election under item (i) of
22 subsection (d-10) shall revert to 9.5% until such time as the
23 fund once again is determined to have reached a funding ratio
24 of 75%, at which time the 5.5% of salary contribution for age
25 and service annuity shall resume. An employee who made the
26 election under item (ii) of subsection (d-10) of Section 1-160

1 shall continue to have the contributions for age and service
2 annuity determined under subsection (a) of this Section.

3 The normal cost, for the purposes of this subsection (a-5)
4 and (a-10), shall be calculated by an enrolled actuary retained
5 by the City at the City's expense. The fund shall provide any
6 information that the actuary requests in order to calculate the
7 applicable normal cost.

8 (a-10) For each employee who on or after the effective date
9 of this amendatory Act of the 99th General Assembly first
10 becomes a member or participant under this Article, 9.5% of
11 each payment of salary shall be contributed to the fund as a
12 deduction from salary for age and service annuity. Beginning
13 January 1, 2018 and each year thereafter, employee
14 contributions for each employee subject to this subsection
15 (a-10) shall be the lesser of: (i) the total normal cost,
16 calculated using the entry age normal actuarial method,
17 projected for that fiscal year for the benefits and expenses of
18 the plan of benefits applicable to those members and
19 participants who first become members or participants on or
20 after the effective date of this amendatory Act of the 99th
21 General Assembly and to those employees who made the election
22 under item (i) of subsection (d-10) of Section 1-160, but not
23 less than 6.5% of each payment of salary combined with the
24 employee contributions provided for in subsection (b) of
25 Section 11-134.1 and Section 11-174 of this Article; or (ii)
26 the aggregate employee contribution consisting of 9.5% of each

1 payment of salary combined with the employee contributions
2 provided for in subsection (b) of Section 11-134.1 and Section
3 11-174 of this Article. If contributions are reduced to less
4 than the aggregate employee contribution described in item (ii)
5 of subsection (a-10) due to application of the normal cost
6 criterion, the employee contribution amount shall be
7 consistent from July 1 of the fiscal year through June 30 of
8 that fiscal year. Beginning with the first pay period on or
9 after the date when the funded ratio of the fund is first
10 determined to have reached the 90% funding goal, and each pay
11 period thereafter for as long as the Fund maintains a funding
12 ratio of 75% or more, employee contributions for age and
13 service annuity for each employee subject to this subsection
14 (a-10) shall be 5.5% of each payment of salary. If the funding
15 ratio falls below 75%, then employee contributions for age and
16 service annuity for each employee subject to this subsection
17 (a-10) shall revert to 9.5% until such time as the fund once
18 again is determined to have reached a funding ratio of 75%, at
19 which time the 5.5% of salary contribution for age and service
20 annuity shall resume.

21 Such deductions beginning on the effective date and prior
22 to June 30, 1947, inclusive shall be made for a future entrant
23 while he is in service until he attains age 65, and for a
24 present employee while he is in service until the amount so
25 deducted from his salary with interest at the rate of 4% per
26 annum shall be equal to the sum which would have accumulated to

1 his credit from sums deducted from his salary if deductions at
2 the rate herein stated had been made during his entire service
3 until he attained age 65 with interest at 4% per annum for the
4 period subsequent to his attainment of age 65. Such deductions
5 beginning July 1, 1947 shall be made and continued for
6 employees while in the service.

7 (b) (Blank). ~~Concurrently with each employee contribution,~~
8 ~~the city shall contribute beginning on the effective date and~~
9 ~~prior to July 1, 1947, 5 3/4%; and beginning July 1, 1947 and~~
10 ~~prior to July 1, 1953, 7%; and beginning July 1, 1953, 6% of~~
11 ~~each payment of such salary until the employee attains age 65.~~

12 (c) Each employee contribution made prior to the date age
13 and service annuity for an employee is fixed and each
14 corresponding city contribution shall be allocated to the
15 account of and credited to the employee for whose benefit it is
16 made.

17 (d) Notwithstanding Section 1-103.1, the changes to this
18 Section made by this amendatory Act of the 99th General
19 Assembly apply regardless of whether the employee was in active
20 service on or after the effective date of this amendatory Act.

21 (Source: P.A. 81-1536.)

22 (40 ILCS 5/11-197.7 new)

23 Sec. 11-197.7. Payment of annuity other than direct. The
24 board, at the written direction and request of any annuitant,
25 may, solely as an accommodation to such annuitant, pay the

1 annuity due him or her to a bank, savings and loan association,
2 or any other financial institution insured by an agency of the
3 federal government, for deposit to his or her account, or to a
4 bank or trust company for deposit in a trust established by him
5 or her for his benefit with such bank, savings and loan
6 association, or trust company, and such annuitant may withdraw
7 such direction at any time. The board may also, in the case of
8 any disability beneficiary or annuitant for whom no estate
9 guardian has been appointed and who is confined in a publicly
10 owned and operated mental institution, pay such disability
11 benefit or annuity due such person to the superintendent or
12 other head of such institution or hospital for deposit to such
13 person's trust fund account maintained for him or her by such
14 institution or hospital, if by law such trust fund accounts are
15 authorized or recognized.

16 (40 ILCS 5/11-223.1) (from Ch. 108 1/2, par. 11-223.1)

17 Sec. 11-223.1. Assignment for health, hospital and medical
18 insurance.

19 The board may provide, by regulation, that any annuitant or
20 pensioner, may assign his annuity or disability benefit, or any
21 part thereof, for the purpose of premium payment for a
22 membership for the annuitant, and his or her spouse and
23 children, in a ~~non-profit group~~ hospital care plan or ~~group~~
24 medical surgical plan, provided, however, that the board may,
25 in its discretion, terminate the right of assignment. Any such

1 hospital or medical insurance plan may include provision for
2 the beneficiaries thereof who rely on treatment by spiritual
3 means alone through prayer for healing in accordance with the
4 tenets and practice of a well recognized religious
5 denomination.

6 Upon the adoption of a regulation permitting such
7 assignment, the board shall establish and administer a plan for
8 the maintenance of the insurance plan membership by the
9 annuitant or pensioner.

10 (Source: Laws 1965, p. 2290.)

11 (40 ILCS 5/11-230) (from Ch. 108 1/2, par. 11-230)

12 Sec. 11-230. Felony conviction.

13 None of the benefits provided in this Article shall be paid
14 to any person who is convicted of any felony relating to or
15 arising out of or in connection with his service as employee.

16 This section shall not operate to impair any contract or
17 vested right heretofore acquired under any law or laws
18 continued in this Article, nor to preclude the right to a
19 refund.

20 Any refund required under this Article shall be calculated
21 based on that person's contributions to the Fund, less the
22 amount of any annuity benefit previously received by the person
23 or his or beneficiaries. The changes made to this Section by
24 this amendatory Act of the 99th General Assembly apply only to
25 persons who first become members or participants under this

1 Article on or after the effective date of this amendatory Act
2 of the 99th General Assembly.

3 All future entrants entering service after July 11, 1955,
4 shall be deemed to have consented to the provisions of this
5 section as a condition of coverage.

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

7 (40 ILCS 5/8-173.1 rep.)

8 (40 ILCS 5/11-169.1 rep.)

9 Section 10. The Illinois Pension Code is amended by
10 repealing Sections 8-173.1 and 11-169.1.

11 Section 90. The State Mandates Act is amended by adding
12 Section 8.40 as follows:

13 (30 ILCS 805/8.40 new)

14 Sec. 8.40. Exempt mandate. Notwithstanding Sections 6 and 8
15 of this Act, no reimbursement by the State is required for the
16 implementation of any mandate created by this amendatory Act of
17 the 99th General Assembly.

18 Section 97. Inseverability and severability. The changes
19 made by this Act are inseverable, except that the changes made
20 to Sections 8-228.5 and 11-125.9 of the Illinois Pension Code
21 are severable under Section 1.31 of the Statute on Statutes.

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