

1 AN ACT in relation to public employee benefits.

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

4 Section 5. The Illinois Pension Code is amended by
5 changing Section 7-116 as follows:

6 (40 ILCS 5/7-116) (from Ch. 108 1/2, par. 7-116)

7 Sec. 7-116. "Final rate of earnings":

8 (a) For retirement and survivor annuities, the monthly
9 earnings obtained by dividing the total earnings received by
10 the employee during the period of either (1) the 48
11 consecutive months of service within the last 120 months of
12 service in which his total earnings were the highest or (2)
13 the employee's total period of service, by the number of
14 months of service in such period.

15 (b) For death benefits, the higher of the rate
16 determined under paragraph (a) of this Section or total
17 earnings received in the last 12 months of service divided by
18 twelve. If the deceased employee has less than 12 months of
19 service, the monthly final rate shall be the monthly rate of
20 pay the employee was receiving when he began service.

21 (c) For disability benefits, the total earnings of a
22 participating employee in the last 12 calendar months of
23 service prior to the date he becomes disabled divided by 12.

24 (d) For persons who have at least 20 years of service
25 credit as a sheriff's law enforcement employee, the rate of
26 earnings on the last day of service in that capacity, the
27 average rate of earnings during any 12 consecutive months
28 within the last 48 months of service in that capacity, or the
29 rate determined under the other provisions of this Section,
30 whichever is greater.

31 (e) In computing the final rate of earnings: (1) the

1 earnings rate for all periods of prior service shall be
2 considered equal to the average earnings rate for the last 3
3 calendar years of prior service for which creditable service
4 is received under Section 7-139 or, if there is less than 3
5 years of creditable prior service, the average for the total
6 prior service period for which creditable service is received
7 under Section 7-139; (2) for out of state service and
8 authorized leave, the earnings rate shall be the rate upon
9 which service credits are granted; (3) periods of military
10 leave shall not be considered; (4) the earnings rate for all
11 periods of disability shall be considered equal to the rate
12 of earnings upon which the employee's disability benefits are
13 computed for such periods; (5) the earnings to be considered
14 for each of the final three months of the final earnings
15 period shall not exceed 125% of the highest earnings of any
16 other month in the final earnings period; and (6) the annual
17 amount of final rate of earnings shall be the monthly amount
18 multiplied by the number of months of service normally
19 required by the position in a year.

20 (Source: P.A. 90-448, eff. 8-16-97.)

21 Section 90. The State Mandates Act is amended by adding
22 Section 8.25 as follows:

23 (30 ILCS 805/8.25 new)

24 Sec. 8.25. Exempt mandate. Notwithstanding Sections 6
25 and 8 of this Act, no reimbursement by the State is required
26 for the implementation of any mandate created by this
27 amendatory Act of the 92nd General Assembly.

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