

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 Sections 14-103.05, 14-104.6, 14-106, 14-108,
6 14-110, 14-114, 14-133, 16-106, and 16-131.6 and adding
7 Section 14-108.2c as follows:

8 (40 ILCS 5/14-103.05) (from Ch. 108 1/2, par. 14-103.05)
9 Sec. 14-103.05. Employee.

10 (a) Any person employed by a Department who receives
11 salary for personal services rendered to the Department on a
12 warrant issued pursuant to a payroll voucher certified by a
13 Department and drawn by the State Comptroller upon the State
14 Treasurer, including an elected official described in
15 subparagraph (d) of Section 14-104, shall become an employee
16 for purpose of membership in the Retirement System on the
17 first day of such employment.

18 A person entering service on or after January 1, 1972 and
19 prior to January 1, 1984 shall become a member as a condition
20 of employment and shall begin making contributions as of the
21 first day of employment.

22 A person entering service on or after January 1, 1984
23 shall, upon completion of 6 months of continuous service
24 which is not interrupted by a break of more than 2 months,
25 become a member as a condition of employment. Contributions
26 shall begin the first of the month after completion of the
27 qualifying period.

28 The qualifying period of 6 months of service is not
29 applicable to: (1) a person who has been granted credit for
30 service in a position covered by the State Universities
31 Retirement System, the Teachers' Retirement System of the

1 State of Illinois, the General Assembly Retirement System, or
2 the Judges Retirement System of Illinois unless that service
3 has been forfeited under the laws of those systems; (2) a
4 person entering service on or after July 1, 1991 in a
5 noncovered position; or (3) a person to whom Section
6 14-108.2a or 14-108.2b applies.

7 (b) The term "employee" does not include the following:

8 (1) members of the State Legislature, and persons
9 electing to become members of the General Assembly
10 Retirement System pursuant to Section 2-105;

11 (2) incumbents of offices normally filled by vote
12 of the people;

13 (3) except as otherwise provided in this Section,
14 any person appointed by the Governor with the advice and
15 consent of the Senate unless that person elects to
16 participate in this system;

17 (4) except as provided in Section 14-108.2 or
18 14-108.2c, any person who is covered or eligible to be
19 covered by the Teachers' Retirement System of the State
20 of Illinois, the State Universities Retirement System, or
21 the Judges Retirement System of Illinois;

22 (5) an employee of a municipality or any other
23 political subdivision of the State;

24 (6) any person who becomes an employee after June
25 30, 1979 as a public service employment program
26 participant under the Federal Comprehensive Employment
27 and Training Act and whose wages or fringe benefits are
28 paid in whole or in part by funds provided under such
29 Act;

30 (7) enrollees of the Illinois Young Adult
31 Conservation Corps program, administered by the
32 Department of Natural Resources, authorized grantee
33 pursuant to Title VIII of the "Comprehensive Employment
34 and Training Act of 1973", 29 USC 993, as now or

1 hereafter amended;

2 (8) enrollees and temporary staff of programs
3 administered by the Department of Natural Resources under
4 the Youth Conservation Corps Act of 1970;

5 (9) any person who is a member of any professional
6 licensing or disciplinary board created under an Act
7 administered by the Department of Professional Regulation
8 or a successor agency or created or re-created after the
9 effective date of this amendatory Act of 1997, and who
10 receives per diem compensation rather than a salary,
11 notwithstanding that such per diem compensation is paid
12 by warrant issued pursuant to a payroll voucher; such
13 persons have never been included in the membership of
14 this System, and this amendatory Act of 1987 (P.A.
15 84-1472) is not intended to effect any change in the
16 status of such persons;

17 (10) any person who is a member of the Illinois
18 Health Care Cost Containment Council, and receives per
19 diem compensation rather than a salary, notwithstanding
20 that such per diem compensation is paid by warrant issued
21 pursuant to a payroll voucher; such persons have never
22 been included in the membership of this System, and this
23 amendatory Act of 1987 is not intended to effect any
24 change in the status of such persons; or

25 (11) any person who is a member of the Oil and Gas
26 Board created by Section 1.2 of the Illinois Oil and Gas
27 Act, and receives per diem compensation rather than a
28 salary, notwithstanding that such per diem compensation
29 is paid by warrant issued pursuant to a payroll voucher.

30 (c) An individual who is employed on a full-time basis
31 as an officer or employee of a statewide labor organization
32 that represents members of this System may participate in the
33 System and shall be deemed an employee, provided that (1) the
34 individual has previously earned creditable service under

1 this Article, (2) the individual files with the System an
 2 irrevocable election to become a participant, and (3) the
 3 individual does not receive credit for that employment under
 4 any other provision of this Code. An employee under this
 5 subsection (c) is responsible for paying to the System both
 6 (i) employee contributions based on the actual compensation
 7 received for service with the labor organization and (ii)
 8 employer contributions based on the percentage of payroll
 9 certified by the board; all or any part of these
 10 contributions may be paid on the employee's behalf or picked
 11 up for tax purposes (if authorized under federal law) by the
 12 labor organization.

13 A person who is an employee as defined in this subsection
 14 may establish service credit for similar employment prior to
 15 becoming an employee under this subsection by paying to the
 16 System for that employment the contributions specified in
 17 this subsection, plus interest at the effective rate from the
 18 date of service to the date of payment. However, credit
 19 shall not be granted under this subsection for any such prior
 20 employment for which the applicant received credit under any
 21 other provision of this Code, or during which the applicant
 22 was on a leave of absence.

23 (Source: P.A. 89-246; eff. 8-4-95; 89-445, eff. 2-7-96;
 24 90-448, eff. 8-16-97.)

25 (40 ILCS 5/14-104.6) (from Ch. 108 1/2, par. 14-104.6)
 26 Sec. 14-104.6. Service transferred from Article 16.

27 Service also includes the following:

28 (a) Any period as a teacher employed by the Department
 29 of Corrections for which credit was established under Article
 30 16 of this Code, subject to the following conditions: (1) the
 31 credits accrued for such employment under Article 16 have
 32 been transferred to this System; and (2) the participant has
 33 contributed to this System an amount equal to (A) employee

1 contributions at the rate in effect for noncoordinated
 2 eligible creditable service at the date of membership in this
 3 System, based upon the salary in effect during such period of
 4 service, plus (B) the employer's share of the normal cost
 5 under this System for each year that credit is being
 6 established, based on the salary in effect during such period
 7 of service, plus (C) regular interest, compounded annually,
 8 from July 1, 1987 to the date of payment, less (D) the amount
 9 transferred on behalf of the participant under Section
 10 16-131.6.

11 (b) Any period as a security employee of the Department
 12 of Human Services, as defined in Section 14-110, for which
 13 credit was established under Article 16 of this Code, subject
 14 to the following conditions: (1) the credits accrued for that
 15 employment under Article 16 have been transferred to this
 16 System; and (2) the participant has contributed to this
 17 System an amount equal to (A) employee contributions at the
 18 rate in effect for noncoordinated eligible creditable service
 19 at the date of membership in this System, based upon the
 20 salary in effect during the period of service, plus (B) the
 21 employer's share of the normal cost under this System for
 22 each year that credit is being established, based on the
 23 salary in effect during the period of service, plus (C)
 24 regular interest, compounded annually, from July 1, 2001 to
 25 the date of payment, less (D) the amount transferred on
 26 behalf of the participant under Section 16-131.6.

27 (c) Credit established under this Section shall be
 28 deemed noncoordinated eligible creditable service as defined
 29 in Section 14-110.

30 (Source: P.A. 86-1488; 87-794.)

31 (40 ILCS 5/14-106) (from Ch. 108 1/2, par. 14-106)
 32 Sec. 14-106. Membership service credit.

33 (a) After January 1, 1944, all service of a member since

1 he last became a member with respect to which contributions
2 are made shall count as membership service; provided, that
3 for service on and after July 1, 1950, 12 months of service
4 shall constitute a year of membership service, the completion
5 of 15 days or more of service during any month shall
6 constitute 1 month of membership service, 8 to 15 days shall
7 constitute 1/2 month of membership service and less than 8
8 days shall constitute 1/4 month of membership service. The
9 payroll record of each department shall constitute conclusive
10 evidence of the record of service rendered by a member.

11 (b) For a member who is employed and paid on an
12 academic-year basis rather than on a 12-month annual basis,
13 employment for a full academic year shall constitute a full
14 year of membership service, except that the member shall not
15 receive more than one year of membership service credit (plus
16 any additional service credit granted for unused sick leave)
17 for service during any 12-month period. This subsection (b)
18 applies to all such service for which the member has not
19 begun to receive a retirement annuity before January 1, 2001.

20 (c) A member shall be entitled to additional service
21 credit, under rules prescribed by the Board, for accumulated
22 unused sick leave credited to his account in the last
23 Department on the date of withdrawal from service or for any
24 period for which he would have been eligible to receive
25 benefits under a sick pay plan authorized by law, if he had
26 suffered a sickness or accident on the date of withdrawal
27 from service. It shall be the responsibility of the last
28 Department to certify to the Board the length of time salary
29 or benefits would have been paid to the member based upon the
30 accumulated unused sick leave or the applicable sick pay plan
31 if he had become entitled thereto because of sickness on the
32 date that his status as an employee terminated. This period
33 of service credit granted under this paragraph shall not be
34 considered in determining the date the retirement annuity is

1 to begin, or final average compensation.

2 (Source: P.A. 87-1265.)

3 (40 ILCS 5/14-108) (from Ch. 108 1/2, par. 14-108)

4 Sec. 14-108. Amount of retirement annuity. A member who
5 has contributed to the System for at least 12 months shall be
6 entitled to a prior service annuity for each year of
7 certified prior service credited to him, except that a member
8 shall receive 1/3 of the prior service annuity for each year
9 of service for which contributions have been made and all of
10 such annuity shall be payable after the member has made
11 contributions for a period of 3 years. Proportionate amounts
12 shall be payable for service of less than a full year after
13 completion of at least 12 months.

14 The total period of service to be considered in
15 establishing the measure of prior service annuity shall
16 include service credited in the Teachers' Retirement System
17 of the State of Illinois and the State Universities
18 Retirement System for which contributions have been made by
19 the member to such systems; provided that at least 1 year of
20 the total period of 3 years prescribed for the allowance of a
21 full measure of prior service annuity shall consist of
22 membership service in this system for which credit has been
23 granted.

24 (a) In the case of a member who retires on or after
25 January 1, 1998 and is a noncovered employee, the retirement
26 annuity for membership service and prior service shall be
27 2.2% of final average compensation for each year of service.
28 Any service credit established as a covered employee shall be
29 computed as stated in paragraph (b).

30 (b) In the case of a member who retires on or after
31 January 1, 1998 and is a covered employee, the retirement
32 annuity for membership service and prior service shall be
33 computed as stated in paragraph (a) for all service credit

1 established as a noncovered employee; for service credit
2 established as a covered employee it shall be 1.67% of final
3 average compensation for each year of service.

4 (c) For a member retiring after attaining age 55 but
5 before age 60 with at least 30 but less than 35 years of
6 creditable service if retirement is before January 1, 2001,
7 or with at least 25 but less than 30 years of creditable
8 service if retirement is on or after January 1, 2001, the
9 retirement annuity shall be reduced by 1/2 of 1% for each
10 month that the member's age is under age 60 at the time of
11 retirement.

12 (d) A retirement annuity shall not exceed 75% of final
13 average compensation, subject to such extension as may result
14 from the application of Section 14-114 or Section 14-115.

15 (e) The retirement annuity payable to any covered
16 employee who is a member of the System and in service on
17 January 1, 1969, or in service thereafter in 1969 as a result
18 of legislation enacted by the Illinois General Assembly
19 transferring the member to State employment from county
20 employment in a county Department of Public Aid in counties
21 of 3,000,000 or more population, under a plan of coordination
22 with the Old Age, Survivors and Disability provisions
23 thereof, if not fully insured for Old Age Insurance payments
24 under the Federal Old Age, Survivors and Disability Insurance
25 provisions at the date of acceptance of a retirement annuity,
26 shall not be less than the amount for which the member would
27 have been eligible if coordination were not applicable.

28 (f) The retirement annuity payable to any covered
29 employee who is a member of the System and in service on
30 January 1, 1969, or in service thereafter in 1969 as a result
31 of the legislation designated in the immediately preceding
32 paragraph, if fully insured for Old Age Insurance payments
33 under the Federal Social Security Act at the date of
34 acceptance of a retirement annuity, shall not be less than an

1 amount which when added to the Primary Insurance Benefit
2 payable to the member upon attainment of age 65 under such
3 Federal Act, will equal the annuity which would otherwise be
4 payable if the coordinated plan of coverage were not
5 applicable.

6 (g) In the case of a member who is a noncovered
7 employee, the retirement annuity for membership service as a
8 security employee of the Department of Corrections or
9 security employee of the Department of Human Services shall
10 be: if retirement occurs on or after January 1, 2001, 3% of
11 final average compensation for each year of creditable
12 service; or if retirement occurs before January 1, 2001, 1.9%
13 of final average compensation for each of the first 10 years
14 of service, 2.1% for each of the next 10 years of service,
15 2.25% for each year of service in excess of 20 but not
16 exceeding 30, and 2.5% for each year in excess of 30; except
17 that the annuity may be calculated under subsection (a)
18 rather than this subsection (g) if the resulting annuity is
19 greater.

20 (h) In the case of a member who is a covered employee,
21 the retirement annuity for membership service as a security
22 employee of the Department of Corrections or security
23 employee of the Department of Human Services shall be: if
24 retirement occurs on or after January 1, 2001, 2.5% of final
25 average compensation for each year of creditable service; if
26 retirement occurs before January 1, 2001, 1.67% of final
27 average compensation for each of the first 10 years of
28 service, 1.90% for each of the next 10 years of service,
29 2.10% for each year of service in excess of 20 but not
30 exceeding 30, and 2.30% for each year in excess of 30.

31 (i) For the purposes of this Section and Section 14-133
32 of this Act, the term "security employee of the Department of
33 Corrections" and the term "security employee of the
34 Department of Human Services" shall have the meanings

1 ascribed to them in subsection (c) of Section 14-110.

2 (j) The retirement annuity computed pursuant to
3 paragraphs (g) or (h) shall be applicable only to those
4 security employees of the Department of Corrections and
5 security employees of the Department of Human Services who
6 have at least 20 years of membership service and who are not
7 eligible for the alternative retirement annuity provided
8 under Section 14-110. However, persons transferring to this
9 System under Section 14-108.2 or 14-108.2c who have service
10 credit under Article 16 of this Code may count such service
11 toward establishing their eligibility under the 20-year
12 service requirement of this subsection; but such service may
13 be used only for establishing such eligibility, and not for
14 the purpose of increasing or calculating any benefit.

15 (k) (Blank).

16 (l) The changes to this Section made by this amendatory
17 Act of 1997 (changing certain retirement annuity formulas
18 from a stepped rate to a flat rate) apply to members who
19 retire on or after January 1, 1998, without regard to whether
20 employment terminated before the effective date of this
21 amendatory Act of 1997. An annuity shall not be calculated
22 in steps by using the new flat rate for some steps and the
23 superseded stepped rate for other steps of the same type of
24 service.

25 (Source: P.A. 90-65, eff. 7-7-97; 90-448, eff. 8-16-97;
26 90-655, eff. 7-30-98; 91-927, eff. 12-14-00.)

27 (40 ILCS 5/14-108.2c new)

28 Sec. 14-108.2c. Transfer of membership from TRS. A
29 security employee of the Department of Human Services, as
30 defined in Section 14-110, who is a member of the Teachers'
31 Retirement System established under Article 16 of this Code
32 may elect to become a member of this System on either June 1,
33 2001 or July 1, 2001 by notifying the Board of the election

1 in writing on or before May 31, 2001.

2 For persons electing to become covered employees,
3 participation in the Article 16 system shall terminate on
4 June 1, 2001, and membership in this System shall begin on
5 that date.

6 For persons electing to become noncovered employees,
7 participation in the Article 16 system shall terminate on
8 July 1, 2001, and membership in this System shall begin on
9 that date.

10 (40 ILCS 5/14-110) (from Ch. 108 1/2, par. 14-110)
11 Sec. 14-110. Alternative retirement annuity.

12 (a) Any member who has withdrawn from service with not
13 less than 20 years of eligible creditable service and has
14 attained age 55, and any member who has withdrawn from
15 service with not less than 25 years of eligible creditable
16 service and has attained age 50, regardless of whether the
17 attainment of either of the specified ages occurs while the
18 member is still in service, shall be entitled to receive at
19 the option of the member, in lieu of the regular or minimum
20 retirement annuity, a retirement annuity computed as
21 follows:

22 (i) for periods of service as a noncovered
23 employee: if retirement occurs on or after January 1,
24 2001, 3% of final average compensation for each year of
25 creditable service; if retirement occurs before January
26 1, 2001, 2 1/4% of final average compensation for each of
27 the first 10 years of creditable service, 2 1/2% for each
28 year above 10 years to and including 20 years of
29 creditable service, and 2 3/4% for each year of
30 creditable service above 20 years; and

31 (ii) for periods of eligible creditable service as
32 a covered employee: if retirement occurs on or after
33 January 1, 2001, 2.5% of final average compensation for

1 each year of creditable service; if retirement occurs
 2 before January 1, 2001, 1.67% of final average
 3 compensation for each of the first 10 years of such
 4 service, 1.90% for each of the next 10 years of such
 5 service, 2.10% for each year of such service in excess of
 6 20 but not exceeding 30, and 2.30% for each year in
 7 excess of 30.

8 Such annuity shall be subject to a maximum of 75% of
 9 final average compensation if retirement occurs before
 10 January 1, 2001 or to a maximum of 80% of final average
 11 compensation if retirement occurs on or after January 1,
 12 2001.

13 These rates shall not be applicable to any service
 14 performed by a member as a covered employee which is not
 15 eligible creditable service. Service as a covered employee
 16 which is not eligible creditable service shall be subject to
 17 the rates and provisions of Section 14-108.

18 (b) For the purpose of this Section, "eligible
 19 creditable service" means creditable service resulting from
 20 service in one or more of the following positions:

- 21 (1) State policeman;
- 22 (2) fire fighter in the fire protection service of
 23 a department;
- 24 (3) air pilot;
- 25 (4) special agent;
- 26 (5) investigator for the Secretary of State;
- 27 (6) conservation police officer;
- 28 (7) investigator for the Department of Revenue;
- 29 (8) security employee of the Department of Human
 30 Services;
- 31 (9) Central Management Services security police
 32 officer;
- 33 (10) security employee of the Department of
 34 Corrections;

- 1 (11) dangerous drugs investigator;
- 2 (12) investigator for the Department of State
- 3 Police;
- 4 (13) investigator for the Office of the Attorney
- 5 General;
- 6 (14) controlled substance inspector;
- 7 (15) investigator for the Office of the State's
- 8 Attorneys Appellate Prosecutor;
- 9 (16) Commerce Commission police officer;
- 10 (17) arson investigator.

11 A person employed in one of the positions specified in
12 this subsection is entitled to eligible creditable service
13 for service credit earned under this Article while undergoing
14 the basic police training course approved by the Illinois Law
15 Enforcement Training Standards Board, if completion of that
16 training is required of persons serving in that position.
17 For the purposes of this Code, service during the required
18 basic police training course shall be deemed performance of
19 the duties of the specified position, even though the person
20 is not a sworn peace officer at the time of the training.

21 (c) For the purposes of this Section:

22 (1) The term "state policeman" includes any title
23 or position in the Department of State Police that is
24 held by an individual employed under the State Police
25 Act.

26 (2) The term "fire fighter in the fire protection
27 service of a department" includes all officers in such
28 fire protection service including fire chiefs and
29 assistant fire chiefs.

30 (3) The term "air pilot" includes any employee
31 whose official job description on file in the Department
32 of Central Management Services, or in the department by
33 which he is employed if that department is not covered by
34 the Personnel Code, states that his principal duty is the

1 operation of aircraft, and who possesses a pilot's
2 license; however, the change in this definition made by
3 this amendatory Act of 1983 shall not operate to exclude
4 any noncovered employee who was an "air pilot" for the
5 purposes of this Section on January 1, 1984.

6 (4) The term "special agent" means any person who
7 by reason of employment by the Division of Narcotic
8 Control, the Bureau of Investigation or, after July 1,
9 1977, the Division of Criminal Investigation, the
10 Division of Internal Investigation, the Division of
11 Operations, or any other Division or organizational
12 entity in the Department of State Police is vested by law
13 with duties to maintain public order, investigate
14 violations of the criminal law of this State, enforce the
15 laws of this State, make arrests and recover property.
16 The term "special agent" includes any title or position
17 in the Department of State Police that is held by an
18 individual employed under the State Police Act.

19 (5) The term "investigator for the Secretary of
20 State" means any person employed by the Office of the
21 Secretary of State and vested with such investigative
22 duties as render him ineligible for coverage under the
23 Social Security Act by reason of Sections 218(d)(5)(A),
24 218(d)(8)(D) and 218(1)(1) of that Act.

25 A person who became employed as an investigator for
26 the Secretary of State between January 1, 1967 and
27 December 31, 1975, and who has served as such until
28 attainment of age 60, either continuously or with a
29 single break in service of not more than 3 years
30 duration, which break terminated before January 1, 1976,
31 shall be entitled to have his retirement annuity
32 calculated in accordance with subsection (a),
33 notwithstanding that he has less than 20 years of credit
34 for such service.

1 (6) The term "Conservation Police Officer" means
2 any person employed by the Division of Law Enforcement of
3 the Department of Natural Resources and vested with such
4 law enforcement duties as render him ineligible for
5 coverage under the Social Security Act by reason of
6 Sections 218(d)(5)(A), 218(d)(8)(D), and 218(1)(1) of
7 that Act. The term "Conservation Police Officer"
8 includes the positions of Chief Conservation Police
9 Administrator and Assistant Conservation Police
10 Administrator.

11 (7) The term "investigator for the Department of
12 Revenue" means any person employed by the Department of
13 Revenue and vested with such investigative duties as
14 render him ineligible for coverage under the Social
15 Security Act by reason of Sections 218(d)(5)(A),
16 218(d)(8)(D) and 218(1)(1) of that Act.

17 (8) The term "security employee of the Department
18 of Human Services" means any person employed by the
19 Department of Human Services who (i) is employed at the
20 Chester Mental Health Center and has daily contact with
21 the residents thereof, (ii) is employed within a security
22 unit at a facility operated by the Department and has
23 daily contact with the residents of the security unit,
24 (iii) is employed at a facility operated by the
25 Department that includes a security unit and is regularly
26 scheduled to work at least 50% of his or her working
27 hours within that security unit, or (iv) who is a mental
28 health police officer. "Mental health police officer"
29 means any person employed by the Department of Human
30 Services in a position pertaining to the Department's
31 mental health and developmental disabilities functions
32 who is vested with such law enforcement duties as render
33 the person ineligible for coverage under the Social
34 Security Act by reason of Sections 218(d)(5)(A),

1 218(d)(8)(D) and 218(1)(1) of that Act. "Security unit"
2 means that portion of a facility that is devoted to the
3 care, containment, and treatment of persons committed to
4 the Department of Human Services as sexually violent
5 persons, persons unfit to stand trial, or persons not
6 guilty by reason of insanity. With respect to past
7 employment, references to the Department of Human
8 Services include its predecessor, the Department of
9 Mental Health and Developmental Disabilities.

10 The changes made to this subdivision (c)(8) by this
11 amendatory Act of the 92nd General Assembly apply to
12 persons who retire on or after January 1, 2001,
13 notwithstanding Section 1-103.1.

14 (9) "Central Management Services security police
15 officer" means any person employed by the Department of
16 Central Management Services who is vested with such law
17 enforcement duties as render him ineligible for coverage
18 under the Social Security Act by reason of Sections
19 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act.

20 (10) The term "security employee of the Department
21 of Corrections" means any employee of the Department of
22 Corrections or the former Department of Personnel, and
23 any member or employee of the Prisoner Review Board, who
24 has daily contact with inmates by working within a
25 correctional facility or who is a parole officer or an
26 employee who has direct contact with committed persons in
27 the performance of his or her job duties.

28 (11) The term "dangerous drugs investigator" means
29 any person who is employed as such by the Department of
30 Human Services.

31 (12) The term "investigator for the Department of
32 State Police" means a person employed by the Department
33 of State Police who is vested under Section 4 of the
34 Narcotic Control Division Abolition Act with such law

1 enforcement powers as render him ineligible for coverage
2 under the Social Security Act by reason of Sections
3 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act.

4 (13) "Investigator for the Office of the Attorney
5 General" means any person who is employed as such by the
6 Office of the Attorney General and is vested with such
7 investigative duties as render him ineligible for
8 coverage under the Social Security Act by reason of
9 Sections 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that
10 Act. For the period before January 1, 1989, the term
11 includes all persons who were employed as investigators
12 by the Office of the Attorney General, without regard to
13 social security status.

14 (14) "Controlled substance inspector" means any
15 person who is employed as such by the Department of
16 Professional Regulation and is vested with such law
17 enforcement duties as render him ineligible for coverage
18 under the Social Security Act by reason of Sections
19 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act.
20 The term "controlled substance inspector" includes the
21 Program Executive of Enforcement and the Assistant
22 Program Executive of Enforcement.

23 (15) The term "investigator for the Office of the
24 State's Attorneys Appellate Prosecutor" means a person
25 employed in that capacity on a full time basis under the
26 authority of Section 7.06 of the State's Attorneys
27 Appellate Prosecutor's Act.

28 (16) "Commerce Commission police officer" means any
29 person employed by the Illinois Commerce Commission who
30 is vested with such law enforcement duties as render him
31 ineligible for coverage under the Social Security Act by
32 reason of Sections 218(d)(5)(A), 218(d)(8)(D), and
33 218(1)(1) of that Act.

34 (17) "Arson investigator" means any person who is

1 employed as such by the Office of the State Fire Marshal
2 and is vested with such law enforcement duties as render
3 the person ineligible for coverage under the Social
4 Security Act by reason of Sections 218(d)(5)(A),
5 218(d)(8)(D), and 218(1)(1) of that Act. A person who
6 was employed as an arson investigator on January 1, 1995
7 and is no longer in service but not yet receiving a
8 retirement annuity may convert his or her creditable
9 service for employment as an arson investigator into
10 eligible creditable service by paying to the System the
11 difference between the employee contributions actually
12 paid for that service and the amounts that would have
13 been contributed if the applicant were contributing at
14 the rate applicable to persons with the same social
15 security status earning eligible creditable service on
16 the date of application.

17 (d) A security employee of the Department of
18 Corrections, and a security employee of the Department of
19 Human Services who is not a mental health police officer,
20 shall not be eligible for the alternative retirement annuity
21 provided by this Section unless he or she meets the following
22 minimum age and service requirements at the time of
23 retirement:

24 (i) 25 years of eligible creditable service and age
25 55; or

26 (ii) beginning January 1, 1987, 25 years of
27 eligible creditable service and age 54, or 24 years of
28 eligible creditable service and age 55; or

29 (iii) beginning January 1, 1988, 25 years of
30 eligible creditable service and age 53, or 23 years of
31 eligible creditable service and age 55; or

32 (iv) beginning January 1, 1989, 25 years of
33 eligible creditable service and age 52, or 22 years of
34 eligible creditable service and age 55; or

1 (v) beginning January 1, 1990, 25 years of eligible
2 creditable service and age 51, or 21 years of eligible
3 creditable service and age 55; or

4 (vi) beginning January 1, 1991, 25 years of
5 eligible creditable service and age 50, or 20 years of
6 eligible creditable service and age 55.

7 Persons who have service credit under Article 16 of this
8 Code for service as a security employee of the Department of
9 Corrections or the Department of Human Services in a position
10 requiring certification as a teacher may count such service
11 toward establishing their eligibility under the service
12 requirements of this Section; but such service may be used
13 only for establishing such eligibility, and not for the
14 purpose of increasing or calculating any benefit.

15 (e) If a member enters military service while working in
16 a position in which eligible creditable service may be
17 earned, and returns to State service in the same or another
18 such position, and fulfills in all other respects the
19 conditions prescribed in this Article for credit for military
20 service, such military service shall be credited as eligible
21 creditable service for the purposes of the retirement annuity
22 prescribed in this Section.

23 (f) For purposes of calculating retirement annuities
24 under this Section, periods of service rendered after
25 December 31, 1968 and before October 1, 1975 as a covered
26 employee in the position of special agent, conservation
27 police officer, mental health police officer, or investigator
28 for the Secretary of State, shall be deemed to have been
29 service as a noncovered employee, provided that the employee
30 pays to the System prior to retirement an amount equal to (1)
31 the difference between the employee contributions that would
32 have been required for such service as a noncovered employee,
33 and the amount of employee contributions actually paid, plus
34 (2) if payment is made after July 31, 1987, regular interest

1 on the amount specified in item (1) from the date of service
2 to the date of payment.

3 For purposes of calculating retirement annuities under
4 this Section, periods of service rendered after December 31,
5 1968 and before January 1, 1982 as a covered employee in the
6 position of investigator for the Department of Revenue shall
7 be deemed to have been service as a noncovered employee,
8 provided that the employee pays to the System prior to
9 retirement an amount equal to (1) the difference between the
10 employee contributions that would have been required for such
11 service as a noncovered employee, and the amount of employee
12 contributions actually paid, plus (2) if payment is made
13 after January 1, 1990, regular interest on the amount
14 specified in item (1) from the date of service to the date of
15 payment.

16 (g) A State policeman may elect, not later than January
17 1, 1990, to establish eligible creditable service for up to
18 10 years of his service as a policeman under Article 3, by
19 filing a written election with the Board, accompanied by
20 payment of an amount to be determined by the Board, equal to
21 (i) the difference between the amount of employee and
22 employer contributions transferred to the System under
23 Section 3-110.5, and the amounts that would have been
24 contributed had such contributions been made at the rates
25 applicable to State policemen, plus (ii) interest thereon at
26 the effective rate for each year, compounded annually, from
27 the date of service to the date of payment.

28 Subject to the limitation in subsection (i), a State
29 policeman may elect, not later than July 1, 1993, to
30 establish eligible creditable service for up to 10 years of
31 his service as a member of the County Police Department under
32 Article 9, by filing a written election with the Board,
33 accompanied by payment of an amount to be determined by the
34 Board, equal to (i) the difference between the amount of

1 employee and employer contributions transferred to the System
2 under Section 9-121.10 and the amounts that would have been
3 contributed had those contributions been made at the rates
4 applicable to State policemen, plus (ii) interest thereon at
5 the effective rate for each year, compounded annually, from
6 the date of service to the date of payment.

7 (h) Subject to the limitation in subsection (i), a State
8 policeman or investigator for the Secretary of State may
9 elect to establish eligible creditable service for up to 12
10 years of his service as a policeman under Article 5, by
11 filing a written election with the Board on or before January
12 31, 1992, and paying to the System by January 31, 1994 an
13 amount to be determined by the Board, equal to (i) the
14 difference between the amount of employee and employer
15 contributions transferred to the System under Section 5-236,
16 and the amounts that would have been contributed had such
17 contributions been made at the rates applicable to State
18 policemen, plus (ii) interest thereon at the effective rate
19 for each year, compounded annually, from the date of service
20 to the date of payment.

21 Subject to the limitation in subsection (i), a State
22 policeman, conservation police officer, or investigator for
23 the Secretary of State may elect to establish eligible
24 creditable service for up to 10 years of service as a
25 sheriff's law enforcement employee under Article 7, by filing
26 a written election with the Board on or before January 31,
27 1993, and paying to the System by January 31, 1994 an amount
28 to be determined by the Board, equal to (i) the difference
29 between the amount of employee and employer contributions
30 transferred to the System under Section 7-139.7, and the
31 amounts that would have been contributed had such
32 contributions been made at the rates applicable to State
33 policemen, plus (ii) interest thereon at the effective rate
34 for each year, compounded annually, from the date of service

1 to the date of payment.

2 (i) The total amount of eligible creditable service
3 established by any person under subsections (g), (h), (j),
4 (k), and (l) of this Section shall not exceed 12 years.

5 (j) Subject to the limitation in subsection (i), an
6 investigator for the Office of the State's Attorneys
7 Appellate Prosecutor or a controlled substance inspector may
8 elect to establish eligible creditable service for up to 10
9 years of his service as a policeman under Article 3 or a
10 sheriff's law enforcement employee under Article 7, by filing
11 a written election with the Board, accompanied by payment of
12 an amount to be determined by the Board, equal to (1) the
13 difference between the amount of employee and employer
14 contributions transferred to the System under Section 3-110.6
15 or 7-139.8, and the amounts that would have been contributed
16 had such contributions been made at the rates applicable to
17 State policemen, plus (2) interest thereon at the effective
18 rate for each year, compounded annually, from the date of
19 service to the date of payment.

20 (k) Subject to the limitation in subsection (i) of this
21 Section, an alternative formula employee may elect to
22 establish eligible creditable service for periods spent as a
23 full-time law enforcement officer or full-time corrections
24 officer employed by the federal government or by a state or
25 local government located outside of Illinois, for which
26 credit is not held in any other public employee pension fund
27 or retirement system. To obtain this credit, the applicant
28 must file a written application with the Board by March 31,
29 1998, accompanied by evidence of eligibility acceptable to
30 the Board and payment of an amount to be determined by the
31 Board, equal to (1) employee contributions for the credit
32 being established, based upon the applicant's salary on the
33 first day as an alternative formula employee after the
34 employment for which credit is being established and the

1 rates then applicable to alternative formula employees, plus
2 (2) an amount determined by the Board to be the employer's
3 normal cost of the benefits accrued for the credit being
4 established, plus (3) regular interest on the amounts in
5 items (1) and (2) from the first day as an alternative
6 formula employee after the employment for which credit is
7 being established to the date of payment.

8 (1) Subject to the limitation in subsection (i), a
9 security employee of the Department of Corrections may elect,
10 not later than July 1, 1998, to establish eligible creditable
11 service for up to 10 years of his or her service as a
12 policeman under Article 3, by filing a written election with
13 the Board, accompanied by payment of an amount to be
14 determined by the Board, equal to (i) the difference between
15 the amount of employee and employer contributions transferred
16 to the System under Section 3-110.5, and the amounts that
17 would have been contributed had such contributions been made
18 at the rates applicable to security employees of the
19 Department of Corrections, plus (ii) interest thereon at the
20 effective rate for each year, compounded annually, from the
21 date of service to the date of payment.

22 (Source: P.A. 90-32, eff. 6-27-97; 91-357, eff. 7-29-99;
23 91-760, eff. 1-1-01.)

24 (40 ILCS 5/14-114) (from Ch. 108 1/2, par. 14-114)
25 Sec. 14-114. Automatic increase in retirement annuity.

26 (a) Any person receiving a retirement annuity under this
27 Article who retires having attained age 60, or who retires
28 before age 60 having at least 35 years of creditable service,
29 or who retires on or after January 1, 2001 at an age which,
30 when added to the number of years of his or her creditable
31 service, equals at least 85, shall, on January 1 next
32 following the first full year of retirement, have the amount
33 of the then fixed and payable monthly retirement annuity

1 increased 3%. Any person receiving a retirement annuity
2 under this Article who retires before attainment of age 60
3 and with less than (i) 35 years of creditable service if
4 retirement is before January 1, 2001, or (ii) the number of
5 years of creditable service which, when added to the member's
6 age, would equal 85, if retirement is on or after January 1,
7 2001, shall have the amount of the fixed and payable
8 retirement annuity increased by 3% on the January 1 occurring
9 on or next following (1) attainment of age 60, or (2) the
10 first anniversary of retirement, whichever occurs later.
11 However, for persons who receive the alternative retirement
12 annuity under Section 14-110, references in this subsection
13 (a) to attainment of age 60 shall be deemed to refer to
14 attainment of age 55. For a person receiving early
15 retirement incentives under Section 14-108.3 whose retirement
16 annuity began after January 1, 1992 pursuant to an extension
17 granted under subsection (e) of that Section, the first
18 anniversary of retirement shall be deemed to be January 1,
19 1993. For a person who retires on or after the effective
20 date of this amendatory Act of the 92nd General Assembly and
21 on or before April 1, 2001, and whose retirement annuity is
22 calculated, in whole or in part, under Section 14-110 or
23 subsection (g) or (h) of Section 14-108, the first
24 anniversary of retirement shall be deemed to be January 1,
25 2002.

26 On each January 1 following the date of the initial
27 increase under this subsection, the employee's monthly
28 retirement annuity shall be increased by an additional 3%.

29 Beginning January 1, 1990, all automatic annual increases
30 payable under this Section shall be calculated as a
31 percentage of the total annuity payable at the time of the
32 increase, including previous increases granted under this
33 Article.

34 (b) The provisions of subsection (a) of this Section

1 shall be applicable to an employee only if the employee makes
2 the additional contributions required after December 31, 1969
3 for the purpose of the automatic increases for not less than
4 the equivalent of one full year. If an employee becomes an
5 annuitant before his additional contributions equal one full
6 year's contributions based on his salary at the date of
7 retirement, the employee may pay the necessary balance of the
8 contributions to the system, without interest, and be
9 eligible for the increasing annuity authorized by this
10 Section.

11 (c) The provisions of subsection (a) of this Section
12 shall not be applicable to any annuitant who is on retirement
13 on December 31, 1969, and thereafter returns to State
14 service, unless the member has established at least one year
15 of additional creditable service following reentry into
16 service.

17 (d) In addition to other increases which may be provided
18 by this Section, on January 1, 1981 any annuitant who was
19 receiving a retirement annuity on or before January 1, 1971
20 shall have his retirement annuity then being paid increased
21 \$1 per month for each year of creditable service. On January
22 1, 1982, any annuitant who began receiving a retirement
23 annuity on or before January 1, 1977, shall have his
24 retirement annuity then being paid increased \$1 per month for
25 each year of creditable service.

26 On January 1, 1987, any annuitant who began receiving a
27 retirement annuity on or before January 1, 1977, shall have
28 the monthly retirement annuity increased by an amount equal
29 to 8¢ per year of creditable service times the number of
30 years that have elapsed since the annuity began.

31 (e) Every person who receives the alternative retirement
32 annuity under Section 14-110 and who is eligible to receive
33 the 3% increase under subsection (a) on January 1, 1986,
34 shall also receive on that date a one-time increase in

1 retirement annuity equal to the difference between (1) his
 2 actual retirement annuity on that date, including any
 3 increases received under subsection (a), and (2) the amount
 4 of retirement annuity he would have received on that date if
 5 the amendments to subsection (a) made by Public Act 84-162
 6 had been in effect since the date of his retirement.

7 (Source: P.A. 91-927, eff. 12-14-00.)

8 (40 ILCS 5/14-133) (from Ch. 108 1/2, par. 14-133)
 9 Sec. 14-133. Contributions on behalf of members.

10 (a) Each participating employee shall make contributions
 11 to the System, based on the employee's compensation, as
 12 follows:

13 (1) Covered employees, except as indicated below,
 14 3.5% for retirement annuity, and 0.5% for a widow or
 15 survivors annuity;

16 (2) Noncovered employees, except as indicated
 17 below, 7% for retirement annuity and 1% for a widow or
 18 survivors annuity;

19 (3) Noncovered employees serving in a position in
 20 which "eligible creditable service" as defined in Section
 21 14-110 may be earned, ~~8.5% for retirement annuity and~~ 1%
 22 for a widow or survivors annuity plus the following
 23 amount for retirement annuity: 8.5% through December 31,
 24 2001; 9.5% in 2002; 10.5% in 2003; and 11.5% in 2004 and
 25 thereafter;

26 (4) Covered employees serving in a position in
 27 which "eligible creditable service" as defined in Section
 28 14-110 may be earned, ~~5% for retirement annuity and~~ 0.5%
 29 for a widow or survivors annuity plus the following
 30 amount for retirement annuity: 5% through December 31,
 31 2001; 6% in 2002; 7% in 2003; and 8% in 2004 and
 32 thereafter;

33 (5) Each security employee of the Department of

1 Corrections or of the Department of Human Services who is
 2 a covered employee, ~~5% for retirement annuity and~~ 0.5%
 3 for a widow or survivors annuity plus the following
 4 amount for retirement annuity: 5% through December 31,
 5 2001; 6% in 2002; 7% in 2003; and 8% in 2004 and
 6 thereafter;

7 (6) Each security employee of the Department of
 8 Corrections or of the Department of Human Services who is
 9 not a covered employee, ~~8.5% for retirement annuity and~~
 10 1% for a widow or survivors annuity plus the following
 11 amount for retirement annuity: 8.5% through December 31,
 12 2001; 9.5% in 2002; 10.5% in 2003; and 11.5% in 2004 and
 13 thereafter.

14 (b) Contributions shall be in the form of a deduction
 15 from compensation and shall be made notwithstanding that the
 16 compensation paid in cash to the employee shall be reduced
 17 thereby below the minimum prescribed by law or regulation.
 18 Each member is deemed to consent and agree to the deductions
 19 from compensation provided for in this Article, and shall
 20 receipt in full for salary or compensation.

21 (Source: P.A. 89-507, eff. 7-1-97; 90-448, eff. 8-16-97.)

22 (40 ILCS 5/16-106) (from Ch. 108 1/2, par. 16-106)

23 Sec. 16-106. Teacher. "Teacher": The following
 24 individuals, provided that, for employment prior to July 1,
 25 1990, they are employed on a full-time basis, or if not
 26 full-time, on a permanent and continuous basis in a position
 27 in which services are expected to be rendered for at least
 28 one school term:

29 (1) Any educational, administrative, professional
 30 or other staff employed in the public common schools
 31 included within this system in a position requiring
 32 certification under the law governing the certification
 33 of teachers;

1 (2) Any educational, administrative, professional
2 or other staff employed in any facility of the Department
3 of Children and Family Services or the Department of
4 Human Services, in a position requiring certification
5 under the law governing the certification of teachers,
6 and any person who (i) works in such a position for the
7 Department of Corrections, (ii) was a member of this
8 System on May 31, 1987, and (iii) did not elect to become
9 a member of the State Employees' Retirement System
10 pursuant to Section 14-108.2 of this Code; except that
11 "teacher" does not include any person who (A) becomes a
12 security employee of the Department of Human Services, as
13 defined in Section 14-110, after the effective date of
14 this amendatory Act of the 92nd General Assembly, or (B)
15 becomes a member of the State Employees' Retirement
16 System pursuant to Section 14-108.2c of this Code;

17 (3) Any regional superintendent of schools,
18 assistant regional superintendent of schools, State
19 Superintendent of Education; any person employed by the
20 State Board of Education as an executive; any executive
21 of the boards engaged in the service of public common
22 school education in school districts covered under this
23 system of which the State Superintendent of Education is
24 an ex-officio member;

25 (4) Any employee of a school board association
26 operating in compliance with Article 23 of the School
27 Code who is certificated under the law governing the
28 certification of teachers;

29 (5) Any person employed by the retirement system as
30 an executive, and any person employed by the retirement
31 system who is certificated under the law governing the
32 certification of teachers;

33 (6) Any educational, administrative, professional
34 or other staff employed by and under the supervision and

1 control of a regional superintendent of schools, provided
2 such employment position requires the person to be
3 certificated under the law governing the certification of
4 teachers and is in an educational program serving 2 or
5 more districts in accordance with a joint agreement
6 authorized by the School Code or by federal legislation;

7 (7) Any educational, administrative, professional
8 or other staff employed in an educational program
9 serving 2 or more school districts in accordance with a
10 joint agreement authorized by the School Code or by
11 federal legislation and in a position requiring
12 certification under the laws governing the certification
13 of teachers;

14 (8) Any officer or employee of a statewide teacher
15 organization or officer of a national teacher
16 organization who is certified under the law governing
17 certification of teachers, provided: (i) the individual
18 had previously established creditable service under this
19 Article, (ii) the individual files with the system an
20 irrevocable election to become a member, and (iii) the
21 individual does not receive credit for such service under
22 any other Article of this Code;

23 (9) Any educational, administrative, professional,
24 or other staff employed in a charter school operating in
25 compliance with the Charter Schools Law who is
26 certificated under the law governing the certification of
27 teachers.

28 An annuitant receiving a retirement annuity under this
29 Article or under Article 17 of this Code who is temporarily
30 employed by a board of education or other employer not
31 exceeding that permitted under Section 16-118 is not a
32 "teacher" for purposes of this Article. A person who has
33 received a single-sum retirement benefit under Section
34 16-136.4 of this Article is not a "teacher" for purposes of

1 this Article.

2 (Source: P.A. 89-450, eff. 4-10-96; 89-507, eff. 7-1-97;
3 90-14, eff. 7-1-97; 90-448, eff. 8-16-97.)

4 (40 ILCS 5/16-131.6) (from Ch. 108 1/2, par. 16-131.6)
5 Sec. 16-131.6. Transfer to Article 14.

6 (a) Any active member of the State Employees' Retirement
7 System of Illinois may apply for transfer to that System of
8 credits and creditable service accumulated under this System
9 for service as a teacher employed by the Department of
10 Corrections. Such creditable service shall be transferred
11 forthwith. Payment by this System to the State Employees'
12 Retirement System shall be made at the same time and shall
13 consist of:

14 (1) the amounts accumulated to the credit of the
15 applicant for such service, including interest, on the
16 books of this System on the date of transfer; and

17 (2) employer contributions in an amount equal to
18 the amount of member contributions as determined under
19 item (1).

20 Participation in this System as to any credits transferred
21 under this subsection Section shall terminate on the date of
22 transfer.

23 (b) Any active member of the State Employees' Retirement
24 System of Illinois may apply for transfer to that System of
25 credits and creditable service accumulated under this System
26 for service as a security employee of the Department of Human
27 Services as defined (at the time of application) in Section
28 14-110. That creditable service shall be transferred
29 forthwith. Payment by this System to the State Employees'
30 Retirement System shall be made at the same time and shall
31 consist of:

32 (1) the amounts accumulated to the credit of the
33 applicant for that service, including interest, on the

1 books of this System on the date of transfer, but
2 excluding any contribution paid by the member under
3 Section 16-129.1 to upgrade that credit to the augmented
4 rate, which shall be refunded to the member; and

5 (2) employer contributions in an amount equal to
6 the amount of member contributions as determined under
7 item (1).

8 Participation in this System as to any credits transferred
9 under this subsection shall terminate on the date of
10 transfer.

11 (Source: P.A. 86-1488.)

12 Section 99. Effective date. This Act takes effect upon
13 becoming law.