

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 17-119 as follows:

6 (40 ILCS 5/17-119) (from Ch. 108 1/2, par. 17-119)
7 Sec. 17-119. Automatic annual increase in pension.

8 (a) Each teacher retiring on or after September 1, 1959,
9 is entitled to the annual increase in pension, defined
10 herein, while he is receiving a pension from the Fund.

11 1. The term "base pension" means a service
12 retirement or disability retirement pension in the amount
13 fixed and payable at the date of retirement of a teacher.

14 2. The annual increase in pension shall be at the
15 rate of 1 1/2% of base pension. This increase shall first
16 occur in January of the year next following the first
17 anniversary of retirement. At such time the Fund shall
18 pay the pro rata part of the increase for the period from
19 the first anniversary date to the date of the first
20 increase in pension. Beginning January 1, 1972, the rate
21 of annual increase in pension shall be 2% of the base
22 pension. Beginning January 1, 1979, the rate of annual
23 increase in pension shall be 3% of the base pension.
24 Beginning January 1, 1990, all automatic annual increases
25 payable under this Section shall be calculated as a
26 percentage of the total pension payable at the time of
27 the increase, including all increases previously granted
28 under this Article, notwithstanding Section 17-157.

29 3. An increase in pension shall be granted only if
30 the retired teacher is age 60 or over. If the teacher
31 attains age 60 after retirement, the increase in pension

1 shall begin in January of the year following the 61st
 2 birthday. At such time the Fund also shall pay the pro
 3 rata part of the increase from the later of (i)
 4 attainment of age 55 or (ii) the date of retirement 61st
 5 birthday to the date of first increase in pension.

6 (b) In addition to other increases which may be provided
 7 by this Section, on January 1, 1981 any teacher who was
 8 receiving a retirement pension on or before January 1, 1971
 9 shall have his retirement pension then being paid increased
 10 \$1 per month for each year of creditable service. On January
 11 1, 1982, any teacher whose retirement pension began on or
 12 before January 1, 1977, shall have his retirement pension
 13 then being paid increased \$1 per month for each year of
 14 creditable service.

15 On January 1, 1987, any teacher whose retirement pension
 16 began on or before January 1, 1977, shall have the monthly
 17 retirement pension increased by an amount equal to 8¢ per
 18 year of creditable service times the number of years that
 19 have elapsed since the retirement pension began.

20 (Source: P.A. 90-566, eff. 1-2-98.)

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.