

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 14-110 as follows:

6 (40 ILCS 5/14-110) (from Ch. 108 1/2, par. 14-110)
7 Sec. 14-110. Alternative retirement annuity.

8 (a) Any member who has withdrawn from service with not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10 attained age 55, and any member who has withdrawn from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

18 (i) for periods of service as a noncovered
19 employee, 2 1/4% of final average compensation for each
20 of the first 10 years of creditable service, 2 1/2% for
21 each year above 10 years to and including 20 years of
22 creditable service, and 2 3/4% for each year of
23 creditable service above 20 years; and

24 (ii) for periods of eligible creditable service as
25 a covered employee, 1.67% of final average compensation
26 for each of the first 10 years of such service, 1.90% for
27 each of the next 10 years of such service, 2.10% for each
28 year of such service in excess of 20 but not exceeding
29 30, and 2.30% for each year in excess of 30.

30 Such annuity shall be subject to a maximum of 75% of
31 final average compensation. These rates shall not be

1 applicable to any service performed by a member as a covered
2 employee which is not eligible creditable service. Service
3 as a covered employee which is not eligible creditable
4 service shall be subject to the rates and provisions of
5 Section 14-108.

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

- 9 (1) State policeman;
- 10 (2) fire fighter in the fire protection service of
11 a department;
- 12 (3) air pilot;
- 13 (4) special agent;
- 14 (5) investigator for the Secretary of State;
- 15 (6) conservation police officer;
- 16 (7) investigator for the Department of Revenue;
- 17 (8) security employee of the Department of Human
18 Services;
- 19 (9) Central Management Services security police
20 officer;
- 21 (10) security employee of the Department of
22 Corrections;
- 23 (11) dangerous drugs investigator;
- 24 (12) investigator for the Department of State
25 Police;
- 26 (13) investigator for the Office of the Attorney
27 General;
- 28 (14) controlled substance inspector;
- 29 (15) investigator for the Office of the State's
30 Attorneys Appellate Prosecutor;
- 31 (16) Commerce Commission police officer;
- 32 (17) arson investigator.

33 A person employed in one of the positions specified in
34 this subsection is entitled to eligible creditable service

1 for service credit earned under this Article while undergoing
2 the basic police training course approved by the Illinois Law
3 Enforcement Training Standards Board, if completion of that
4 training is required of persons serving in that position.
5 For the purposes of this Code, service during the required
6 basic police training course shall be deemed performance of
7 the duties of the specified position, even though the person
8 is not a sworn peace officer at the time of the training.

9 (c) For the purposes of this Section:

10 (1) The term "state policeman" includes any title
11 or position in the Department of State Police that is
12 held by an individual employed under the State Police
13 Act. The term also includes the executive director and
14 any member of the Department of State Police Merit Board
15 who has elected to receive eligible creditable service
16 and has paid to the System, for his or her previous
17 service in that capacity, the difference between the
18 employee contributions that would have been required if
19 that executive director or member had contributed at the
20 rate then applicable to persons receiving eligible
21 creditable service and the employee contributions
22 actually paid for that service, plus regular interest.

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

27 (3) The term "air pilot" includes any employee
28 whose official job description on file in the Department
29 of Central Management Services, or in the department by
30 which he is employed if that department is not covered by
31 the Personnel Code, states that his principal duty is the
32 operation of aircraft, and who possesses a pilot's
33 license; however, the change in this definition made by
34 this amendatory Act of 1983 shall not operate to exclude

1 any noncovered employee who was an "air pilot" for the
2 purposes of this Section on January 1, 1984.

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

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

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

32 (6) The term "Conservation Police Officer" means
33 any person employed by the Division of Law Enforcement of
34 the Department of Natural Resources and vested with such

1 law enforcement duties as render him ineligible for
2 coverage under the Social Security Act by reason of
3 Sections 218(d)(5)(A), 218(d)(8)(D), and 218(1)(1) of
4 that Act. The term "Conservation Police Officer"
5 includes the positions of Chief Conservation Police
6 Administrator and Assistant Conservation Police
7 Administrator.

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

14 (8) The term "security employee of the Department
15 of Human Services" means any person employed by the
16 Department of Human Services who is employed at the
17 Chester Mental Health Center and has daily contact with
18 the residents thereof, or who is a mental health police
19 officer. "Mental health police officer" means any person
20 employed by the Department of Human Services in a
21 position pertaining to the Department's mental health and
22 developmental disabilities functions who is vested with
23 such law enforcement duties as render the person
24 ineligible for coverage under the Social Security Act by
25 reason of Sections 218(d)(5)(A), 218(d)(8)(D) and
26 218(1)(1) of that Act.

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

33 (10) The term "security employee of the Department
34 of Corrections" means any employee of the Department of

1 Corrections or the former Department of Personnel, and
2 any member or employee of the Prisoner Review Board, who
3 has daily contact with inmates by working within a
4 correctional facility or who is a parole officer or an
5 employee who has direct contact with committed persons in
6 the performance of his or her job duties.

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

10 (12) The term "investigator for the Department of
11 State Police" means a person employed by the Department
12 of State Police who is vested under Section 4 of the
13 Narcotic Control Division Abolition Act with such law
14 enforcement powers as render him ineligible for coverage
15 under the Social Security Act by reason of Sections
16 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act.

17 (13) "Investigator for the Office of the Attorney
18 General" means any person who is employed as such by the
19 Office of the Attorney General and is vested with such
20 investigative duties as render him ineligible for
21 coverage under the Social Security Act by reason of
22 Sections 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that
23 Act. For the period before January 1, 1989, the term
24 includes all persons who were employed as investigators
25 by the Office of the Attorney General, without regard to
26 social security status.

27 (14) "Controlled substance inspector" means any
28 person who is employed as such by the Department of
29 Professional Regulation and is vested with such law
30 enforcement duties as render him ineligible for coverage
31 under the Social Security Act by reason of Sections
32 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act.
33 The term "controlled substance inspector" includes the
34 Program Executive of Enforcement and the Assistant

1 Program Executive of Enforcement.

2 (15) The term "investigator for the Office of the
3 State's Attorneys Appellate Prosecutor" means a person
4 employed in that capacity on a full time basis under the
5 authority of Section 7.06 of the State's Attorneys
6 Appellate Prosecutor's Act.

7 (16) "Commerce Commission police officer" means any
8 person employed by the Illinois Commerce Commission who
9 is vested with such law enforcement duties as render him
10 ineligible for coverage under the Social Security Act by
11 reason of Sections 218(d)(5)(A), 218(d)(8)(D), and
12 218(1)(1) of that Act.

13 (17) "Arson investigator" means any person who is
14 employed as such by the Office of the State Fire Marshal
15 and is vested with such law enforcement duties as render
16 the person ineligible for coverage under the Social
17 Security Act by reason of Sections 218(d)(5)(A),
18 218(d)(8)(D), and 218(1)(1) of that Act. A person who
19 was employed as an arson investigator on January 1, 1995
20 and is no longer in service but not yet receiving a
21 retirement annuity may convert his or her creditable
22 service for employment as an arson investigator into
23 eligible creditable service by paying to the System the
24 difference between the employee contributions actually
25 paid for that service and the amounts that would have
26 been contributed if the applicant were contributing at
27 the rate applicable to persons with the same social
28 security status earning eligible creditable service on
29 the date of application.

30 (d) A security employee of the Department of
31 Corrections, and a security employee of the Department of
32 Human Services who is not a mental health police officer,
33 shall not be eligible for the alternative retirement annuity
34 provided by this Section unless he or she meets the following

1 minimum age and service requirements at the time of
2 retirement:

3 (i) 25 years of eligible creditable service and age
4 55; or

5 (ii) beginning January 1, 1987, 25 years of
6 eligible creditable service and age 54, or 24 years of
7 eligible creditable service and age 55; or

8 (iii) beginning January 1, 1988, 25 years of
9 eligible creditable service and age 53, or 23 years of
10 eligible creditable service and age 55; or

11 (iv) beginning January 1, 1989, 25 years of
12 eligible creditable service and age 52, or 22 years of
13 eligible creditable service and age 55; or

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

17 (vi) beginning January 1, 1991, 25 years of
18 eligible creditable service and age 50, or 20 years of
19 eligible creditable service and age 55.

20 Persons who have service credit under Article 16 of this
21 Code for service as a security employee of the Department of
22 Corrections in a position requiring certification as a
23 teacher may count such service toward establishing their
24 eligibility under the service requirements of this Section;
25 but such service may be used only for establishing such
26 eligibility, and not for the purpose of increasing or
27 calculating any benefit.

28 (e) If a member enters military service while working in
29 a position in which eligible creditable service may be
30 earned, and returns to State service in the same or another
31 such position, and fulfills in all other respects the
32 conditions prescribed in this Article for credit for military
33 service, such military service shall be credited as eligible
34 creditable service for the purposes of the retirement annuity

1 prescribed in this Section.

2 (f) For purposes of calculating retirement annuities
3 under this Section, periods of service rendered after
4 December 31, 1968 and before October 1, 1975 as a covered
5 employee in the position of special agent, conservation
6 police officer, mental health police officer, or investigator
7 for the Secretary of State, shall be deemed to have been
8 service as a noncovered employee, provided that the employee
9 pays to the System prior to retirement an amount equal to (1)
10 the difference between the employee contributions that would
11 have been required for such service as a noncovered employee,
12 and the amount of employee contributions actually paid, plus
13 (2) if payment is made after July 31, 1987, regular interest
14 on the amount specified in item (1) from the date of service
15 to the date of payment.

16 For purposes of calculating retirement annuities under
17 this Section, periods of service rendered after December 31,
18 1968 and before January 1, 1982 as a covered employee in the
19 position of investigator for the Department of Revenue shall
20 be deemed to have been service as a noncovered employee,
21 provided that the employee pays to the System prior to
22 retirement an amount equal to (1) the difference between the
23 employee contributions that would have been required for such
24 service as a noncovered employee, and the amount of employee
25 contributions actually paid, plus (2) if payment is made
26 after January 1, 1990, regular interest on the amount
27 specified in item (1) from the date of service to the date of
28 payment.

29 (g) A State policeman may elect, not later than January
30 1, 1990, to establish eligible creditable service for up to
31 10 years of his service as a policeman under Article 3, by
32 filing a written election with the Board, accompanied by
33 payment of an amount to be determined by the Board, equal to
34 (i) the difference between the amount of employee and

1 employer contributions transferred to the System under
2 Section 3-110.5, and the amounts that would have been
3 contributed had such 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 Subject to the limitation in subsection (i), a State
8 policeman may elect, not later than July 1, 1993, to
9 establish eligible creditable service for up to 10 years of
10 his service as a member of the County Police Department under
11 Article 9, by filing a written election with the Board,
12 accompanied by payment of an amount to be determined by the
13 Board, equal to (i) the difference between the amount of
14 employee and employer contributions transferred to the System
15 under Section 9-121.10 and the amounts that would have been
16 contributed had those contributions been made at the rates
17 applicable to State policemen, plus (ii) interest thereon at
18 the effective rate for each year, compounded annually, from
19 the date of service to the date of payment.

20 (h) Subject to the limitation in subsection (i), a State
21 policeman or investigator for the Secretary of State may
22 elect to establish eligible creditable service for up to 12
23 years of his service as a policeman under Article 5, by
24 filing a written election with the Board on or before January
25 31, 1992, and paying to the System by January 31, 1994 an
26 amount to be determined by the Board, equal to (i) the
27 difference between the amount of employee and employer
28 contributions transferred to the System under Section 5-236,
29 and the amounts that would have been contributed had such
30 contributions been made at the rates applicable to State
31 policemen, plus (ii) interest thereon at the effective rate
32 for each year, compounded annually, from the date of service
33 to the date of payment.

34 Subject to the limitation in subsection (i), a State

1 policeman, conservation police officer, or investigator for
2 the Secretary of State may elect to establish eligible
3 creditable service for up to 10 years of service as a
4 sheriff's law enforcement employee under Article 7, by filing
5 a written election with the Board on or before January 31,
6 1993, and paying to the System by January 31, 1994 an amount
7 to be determined by the Board, equal to (i) the difference
8 between the amount of employee and employer contributions
9 transferred to the System under Section 7-139.7, and the
10 amounts that would have been contributed had such
11 contributions been made at the rates applicable to State
12 policemen, plus (ii) interest thereon at the effective rate
13 for each year, compounded annually, from the date of service
14 to the date of payment.

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

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

33 (k) Subject to the limitation in subsection (i) of this
34 Section, an alternative formula employee may elect to

1 establish eligible creditable service for periods spent as a
2 full-time law enforcement officer or full-time corrections
3 officer employed by the federal government or by a state or
4 local government located outside of Illinois, for which
5 credit is not held in any other public employee pension fund
6 or retirement system. To obtain this credit, the applicant
7 must file a written application with the Board by March 31,
8 1998, accompanied by evidence of eligibility acceptable to
9 the Board and payment of an amount to be determined by the
10 Board, equal to (1) employee contributions for the credit
11 being established, based upon the applicant's salary on the
12 first day as an alternative formula employee after the
13 employment for which credit is being established and the
14 rates then applicable to alternative formula employees, plus
15 (2) an amount determined by the Board to be the employer's
16 normal cost of the benefits accrued for the credit being
17 established, plus (3) regular interest on the amounts in
18 items (1) and (2) from the first day as an alternative
19 formula employee after the employment for which credit is
20 being established to the date of payment.

21 (1) Subject to the limitation in subsection (i), a
22 security employee of the Department of Corrections may elect,
23 not later than July 1, 1998, to establish eligible creditable
24 service for up to 10 years of his or her service as a
25 policeman under Article 3, by filing a written election with
26 the Board, accompanied by payment of an amount to be
27 determined by the Board, equal to (i) the difference between
28 the amount of employee and employer contributions transferred
29 to the System under Section 3-110.5, and the amounts that
30 would have been contributed had such contributions been made
31 at the rates applicable to security employees of the
32 Department of Corrections, plus (ii) interest thereon at the
33 effective rate for each year, compounded annually, from the
34 date of service to the date of payment.

1 (Source: P.A. 90-32, eff. 6-27-97; 91-357, eff. 7-29-99;
2 91-760, eff. 1-1-01.)

3 Section 99. Effective date. This Act takes effect upon
4 becoming law.