

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 8-110, 8-113, 8-120, 8-137, 8-138, 8-150.1,
6 8-158, 8-161, 8-167, 8-168, 8-171, 8-227, 8-230.7, 8-243.2,
7 11-125.8, 11-134, 11-134.1, 11-145.1, 11-153, 11-156, 11-164,
8 11-167, and 15-112 and adding Sections 5-233.1, 8-230.9, and
9 8-230.10 as follows:

10 (40 ILCS 5/5-233.1 new)

11 Sec. 5-233.1. Transfer of creditable service to Article
12 8 or 11 fund. A person who (i) is an active participant in a
13 fund established under Article 8 or 11 of this Code and (ii)
14 has at least 10 and no more than 22 years of creditable
15 service in this Fund may, within the 90 days following the
16 effective date of this Section, apply for transfer of his or
17 her credits and creditable service accumulated in this Fund
18 to the Article 8 or 11 fund. At the time of the transfer,
19 this Fund shall pay to the Article 8 or 11 fund an amount
20 consisting of:

21 (1) the amounts credited to the applicant through
22 employee contributions for the service to be transferred,
23 including interest; and

24 (2) the corresponding municipality credits,
25 including interest, on the books of the Fund on the date
26 of transfer.

27 Participation in this Fund with respect to the credits
28 transferred shall terminate on the date of transfer.

29 (40 ILCS 5/8-110) (from Ch. 108 1/2, par. 8-110)

30 Sec. 8-110. Employer. "Employer":

- 1 (1) a city of more than 500,000 inhabitants;
- 2 (2) or the Board of Education of the such city, with
- 3 respect to any of its employees who participate in this Fund;
- 4 (3) the Chicago Housing Authority, with respect to any
- 5 of its employees who participate in this Fund subject to the
- 6 provisions of Section 8-230.9;
- 7 (4) the Public Building Commission of the city, with
- 8 respect to any of its employees who participate in this Fund;
- 9 and
- 10 (5) to which this Article applies, or the Retirement
- 11 Board.

12 (Source: Laws 1968, p. 181.)

13 (40 ILCS 5/8-113) (from Ch. 108 1/2, par. 8-113)

14 Sec. 8-113. Municipal employee, employee, contributor,

15 or participant. "Municipal employee", "employee",

16 "contributor", or "participant":

17 (a) Any employee of an employer employed in the

18 classified civil service thereof other than by temporary

19 appointment or in a position excluded or exempt from the

20 classified service by the Civil Service Act, or in the case

21 of a city operating under a personnel ordinance, any employee

22 of an employer employed in the classified or career service

23 under the provisions of a personnel ordinance, other than in

24 a provisional or exempt position as specified in such

25 ordinance or in rules and regulations formulated thereunder.

26 (b) Any employee in the service of an employer before

27 the Civil Service Act came in effect for the employer.

28 (c) Any person employed by the board.

29 (d) Any person employed after December 31, 1949, but

30 prior to January 1, 1984, in the service of the employer by

31 temporary appointment or in a position exempt from the

32 classified service as set forth in the Civil Service Act, or

33 in a provisional or exempt position as specified in the

1 personnel ordinance, who meets the following qualifications:

2 (1) has rendered service during not less than 12
3 calendar months to an employer as an employee, officer, or
4 official, 4 months of which must have been consecutive full
5 normal working months of service rendered immediately prior
6 to filing application to be included; and

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

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

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

24 (g) After December 31, 1959, any person employed in the
25 law department of the city, or municipal court or Board of
26 Election Commissioners of the city, who was a contributor and
27 participant, on December 31, 1959, in the annuity and benefit
28 fund in operation in the city on said date, by virtue of the
29 Court and Law Department Employees' Annuity Act or the Board
30 of Election Commissioners Employees' Annuity Act.

31 After December 31, 1959, the foregoing definition
32 includes any other person employed or to be employed in the
33 law department, or municipal court (other than as a judge),
34 or Board of Election Commissioners (if his salary is provided

1 by appropriation of the city council of the city and his
 2 salary paid by the city) -- subject, however, in the case of
 3 such persons not participants on December 31, 1959, to
 4 compliance with the same qualifications and restrictions
 5 otherwise set forth in this Section and made generally
 6 applicable to employees or officers of the city concerning
 7 eligibility for participation or membership.

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

13 (i) After December 31, 1968, any person employed in the
 14 house of correction of the city, who was a contributor and
 15 participant, on December 31, 1968, in the pension fund in
 16 operation in the city on said date, by virtue of the House of
 17 Correction Employees' Pension Act.

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

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

26 (Source: P.A. 83-802.)

27 (40 ILCS 5/8-120) (from Ch. 108 1/2, par. 8-120)
 28 Sec. 8-120. Child or children. "Child" or "children":
 29 The natural child or children, or any child or children
 30 legally adopted by an employee at least one year prior to the
 31 date any benefit for the child or children accrues,--and--so
 32 ~~adopted-prior-to-the-date-the-employee-attained-age-55.~~

33 (Source: P.A. 84-1028.)

1 (40 ILCS 5/8-137) (from Ch. 108 1/2, par. 8-137)
2 Sec. 8-137. Automatic increase in annuity.

3 (a) An employee who retired or retires from service
4 after December 31, 1959 and before January 1, 1987, having
5 attained age 60 or more, shall, in January of the year after
6 the year in which the first anniversary of retirement occurs,
7 have the amount of his then fixed and payable monthly annuity
8 increased by 1 1/2%, and such first fixed annuity as granted
9 at retirement increased by a further 1 1/2% in January of
10 each year thereafter. Beginning with January of the year
11 1972, such increases shall be at the rate of 2% in lieu of
12 the aforesaid specified 1 1/2%, and beginning with January of
13 the year 1984 such increases shall be at the rate of 3%.
14 Beginning in January of 1999, such increases shall be at the
15 rate of 3% of the currently payable monthly annuity,
16 including any increases previously granted under this
17 Article. An employee who retires on annuity after December
18 31, 1959 and before January 1, 1987, but before age 60, shall
19 receive such increases beginning in January of the year after
20 the year in which he attains age 60.

21 An employee who retires from service on or after January
22 1, 1987 shall, upon the first annuity payment date following
23 the first anniversary of the date of retirement, or upon the
24 first annuity payment date following attainment of age 60,
25 whichever occurs later, have his then fixed and payable
26 monthly annuity increased by 3%, and such annuity shall be
27 increased by an additional 3% of the original fixed annuity
28 on the same date each year thereafter. Beginning in January
29 of 1999, such increases shall be at the rate of 3% of the
30 currently payable monthly annuity, including any increases
31 previously granted under this Article.

32 (a-5) Notwithstanding the provisions of subsection (a),
33 upon the first annuity payment date following (1) the third
34 anniversary of retirement, (2) the attainment of age 53, or

1 (3) the date 60 days after the effective date of this
 2 amendatory Act of the 92nd General Assembly, whichever occurs
 3 latest, the monthly pension of an employee who retires on
 4 annuity prior to the attainment of age 60 who has not
 5 received an increase under subsection (a) shall be increased
 6 by 3%, and such annuity shall be increased by an additional
 7 3% of the current payable monthly annuity, including such
 8 increases previously granted under this Article, on the same
 9 date each year thereafter. The increases provided under this
 10 subsection are in lieu of the increases provided in
 11 subsection (a).

12 (b) Subsections (a) and (a-5) are ~~The--foregoing~~
 13 ~~provision-~~is not applicable to an employee retiring and
 14 receiving a term annuity, as herein defined, nor to any
 15 otherwise qualified employee who retires before he makes
 16 employee contributions (at the 1/2 of 1% rate as provided in
 17 this Act) for this additional annuity for not less than the
 18 equivalent of one full year. Such employee, however, shall
 19 make arrangement to pay to the fund a balance of such 1/2 of
 20 1% contributions, based on his final salary, as will bring
 21 such 1/2 of 1% contributions, computed without interest, to
 22 the equivalent of or completion of one year's contributions.

23 Beginning with January, 1960, each employee shall
 24 contribute by means of salary deductions 1/2 of 1% of each
 25 salary payment, concurrently with and in addition to the
 26 employee contributions otherwise made for annuity purposes.

27 Each such additional contribution shall be credited to an
 28 account in the prior service annuity reserve, to be used,
 29 together with city contributions, to defray the cost of the
 30 specified annuity increments. Any balance in such account at
 31 the beginning of each calendar year shall be credited with
 32 interest at the rate of 3% per annum.

33 Such additional employee contributions are not
 34 refundable, except to an employee who withdraws and applies

1 for refund under this Article, and in cases where a term
2 annuity becomes payable. In such cases his contributions
3 shall be refunded, without interest, and charged to such
4 account in the prior service annuity reserve.

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

6 (40 ILCS 5/8-138) (from Ch. 108 1/2, par. 8-138)

7 Sec. 8-138. Minimum annuities - Additional provisions.

8 (a) An employee who withdraws after age 65 or more with
9 at least 20 years of service, for whom the amount of age and
10 service and prior service annuity combined is less than the
11 amount stated in this Section, shall from the date of
12 withdrawal, instead of all annuities otherwise provided, be
13 entitled to receive an annuity for life of \$150 a year, plus
14 1 1/2% for each year of service, to and including 20 years,
15 and 1 2/3% for each year of service over 20 years, of his
16 highest average annual salary for any 4 consecutive years
17 within the last 10 years of service immediately preceding the
18 date of withdrawal.

19 An employee who withdraws after 20 or more years of
20 service, before age 65, shall be entitled to such annuity, to
21 begin not earlier than upon attained age of 55 years if under
22 such age at withdrawal, reduced by 2% for each full year or
23 fractional part thereof that his attained age is less than
24 65, plus an additional 2% reduction for each full year or
25 fractional part thereof that his attained age when annuity is
26 to begin is less than 60 so that the total reduction at age
27 55 shall be 30%.

28 (b) An employee who withdraws after July 1, 1957, at age
29 60 or over, with 20 or more years of service, for whom the
30 age and service and prior service annuity combined, is less
31 than the amount stated in this paragraph, shall, from the
32 date of withdrawal, instead of such annuities, be entitled to
33 receive an annuity for life equal to 1 2/3% for each year of

1 service, of the highest average annual salary for any 5
2 consecutive years within the last 10 years of service
3 immediately preceding the date of withdrawal; provided, that
4 in the case of any employee who withdraws on or after July 1,
5 1971, such employee age 60 or over with 20 or more years of
6 service, shall receive an annuity for life equal to 1.67% for
7 each of the first 10 years of service; 1.90% for each of the
8 next 10 years of service; 2.10% for each year of service in
9 excess of 20 but not exceeding 30; and 2.30% for each year of
10 service in excess of 30, based on the highest average annual
11 salary for any 4 consecutive years within the last 10 years
12 of service immediately preceding the date of withdrawal.

13 An employee who withdraws after July 1, 1957 and before
14 January 1, 1988, with 20 or more years of service, before age
15 60 years is entitled to annuity, to begin not earlier than
16 upon attained age of 55 years, if under such age at
17 withdrawal, as computed in the last preceding paragraph,
18 reduced 0.25% for each full month or fractional part thereof
19 that his attained age when annuity is to begin is less than
20 60 if the employee was born before January 1, 1936, or 0.5%
21 for each such month if the employee was born on or after
22 January 1, 1936.

23 Any employee born before January 1, 1936, who withdraws
24 with 20 or more years of service, and any employee with 20 or
25 more years of service who withdraws on or after January 1,
26 1988, may elect to receive, in lieu of any other employee
27 annuity provided in this Section, an annuity for life equal
28 to 1.80% for each of the first 10 years of service, 2.00% for
29 each of the next 10 years of service, 2.20% for each year of
30 service in excess of 20 but not exceeding 30, and 2.40% for
31 each year of service in excess of 30, of the highest average
32 annual salary for any 4 consecutive years within the last 10
33 years of service immediately preceding the date of
34 withdrawal, to begin not earlier than upon attained age of 55

1 years, if under such age at withdrawal, reduced 0.25% for
2 each full month or fractional part thereof that his attained
3 age when annuity is to begin is less than 60; except that an
4 employee retiring on or after January 1, 1988, at age 55 or
5 over but less than age 60, having at least 35 years of
6 service, or an employee retiring on or after July 1, 1990, at
7 age 55 or over but less than age 60, having at least 30 years
8 of service, or an employee retiring on or after the effective
9 date of this amendatory Act of 1997, at age 55 or over but
10 less than age 60, having at least 25 years of service, shall
11 not be subject to the reduction in retirement annuity because
12 of retirement below age 60.

13 However, in the case of an employee who retired on or
14 after January 1, 1985 but before January 1, 1988, at age 55
15 or older and with at least 35 years of service, and who was
16 subject under this subsection (b) to the reduction in
17 retirement annuity because of retirement below age 60, that
18 reduction shall cease to be effective January 1, 1991, and
19 the retirement annuity shall be recalculated accordingly.

20 Any employee who withdraws on or after July 1, 1990, with
21 20 or more years of service, may elect to receive, in lieu of
22 any other employee annuity provided in this Section, an
23 annuity for life equal to 2.20% for each year of service if
24 withdrawal is before 60 days after the effective date of this
25 amendatory Act of the 92nd General Assembly, or 2.40% for
26 each year of service if withdrawal is 60 days after the
27 effective date of this amendatory Act of the 92nd General
28 Assembly or later, of the highest average annual salary for
29 any 4 consecutive years within the last 10 years of service
30 immediately preceding the date of withdrawal, to begin not
31 earlier than upon attained age of 55 years, if under such age
32 at withdrawal, reduced 0.25% for each full month or
33 fractional part thereof that his attained age when annuity is
34 to begin is less than 60; except that an employee retiring at

1 age 55 or over but less than age 60, having at least 30 years
2 of service, shall not be subject to the reduction in
3 retirement annuity because of retirement below age 60.

4 Any employee who withdraws on or after the effective date
5 of this amendatory Act of 1997 with 20 or more years of
6 service may elect to receive, in lieu of any other employee
7 annuity provided in this Section, an annuity for life equal
8 to 2.20%, for each year of service, if withdrawal is before
9 60 days after the effective date of this amendatory Act of
10 the 92nd General Assembly, or 2.40% for each year of service
11 if withdrawal is 60 days after the effective date of this
12 amendatory Act of the 92nd General Assembly or later, of the
13 highest average annual salary for any 4 consecutive years
14 within the last 10 years of service immediately preceding the
15 date of withdrawal, to begin not earlier than upon attainment
16 of age 55 (age 50 if the employee has at least 30 years of
17 service), reduced 0.25% for each full month or remaining
18 fractional part thereof that the employee's attained age when
19 annuity is to begin is less than 60; except that an employee
20 retiring at age 50 or over with at least 30 years of service
21 or at age 55 or over with at least 25 years of service shall
22 not be subject to the reduction in retirement annuity because
23 of retirement below age 60.

24 The maximum annuity payable under part (a) and (b) of
25 this Section shall not exceed 70% of highest average annual
26 salary in the case of an employee who withdraws prior to July
27 1, 1971, and 75% if withdrawal takes place on or after July
28 1, 1971 and prior to 60 days after the effective date of this
29 amendatory Act of the 92nd General Assembly, or 80% if
30 withdrawal is 60 days after the effective date of this
31 amendatory Act of the 92nd General Assembly or later. For the
32 purpose of the minimum annuity provided in this Section
33 \$1,500 is considered the minimum annual salary for any year;
34 and the maximum annual salary for the computation of such

1 annuity is \$4,800 for any year before 1953, \$6000 for the
2 years 1953 to 1956, inclusive, and the actual annual salary,
3 as salary is defined in this Article, for any year
4 thereafter.

5 To preserve rights existing on December 31, 1959, for
6 participants and contributors on that date to the fund
7 created by the Court and Law Department Employees' Annuity
8 Act, who became participants in the fund provided for on
9 January 1, 1960, the maximum annual salary to be considered
10 for such persons for the years 1955 and 1956 is \$7,500.

11 (c) For an employee receiving disability benefit, his
12 salary for annuity purposes under paragraphs (a) and (b) of
13 this Section, for all periods of disability benefit
14 subsequent to the year 1956, is the amount on which his
15 disability benefit was based.

16 (d) An employee with 20 or more years of service, whose
17 entire disability benefit credit period expires before
18 attainment of age 55 while still disabled for service, is
19 entitled upon withdrawal to the larger of (1) the minimum
20 annuity provided above, assuming he is then age 55, and
21 reducing such annuity to its actuarial equivalent as of his
22 attained age on such date or (2) the annuity provided from
23 his age and service and prior service annuity credits.

24 (e) The minimum annuity provisions do not apply to any
25 former municipal employee receiving an annuity from the fund
26 who re-enters service as a municipal employee, unless he
27 renders at least 3 years of additional service after the date
28 of re-entry.

29 (f) An employee in service on July 1, 1947, or who
30 became a contributor after July 1, 1947 and before attainment
31 of age 70, who withdraws after age 65, with less than 20
32 years of service for whom the annuity has been fixed under
33 this Article shall, instead of the annuity so fixed, receive
34 an annuity as follows:

1 Such amount as he could have received had the accumulated
2 amounts for annuity been improved with interest at the
3 effective rate to the date of his withdrawal, or to
4 attainment of age 70, whichever is earlier, and had the city
5 contributed to such earlier date for age and service annuity
6 the amount that it would have contributed had he been under
7 age 65, after the date his annuity was fixed in accordance
8 with this Article, and assuming his annuity were computed
9 from such accumulations as of his age on such earlier date.
10 The annuity so computed shall not exceed the annuity which
11 would be payable under the other provisions of this Section
12 if the employee was credited with 20 years of service and
13 would qualify for annuity thereunder.

14 (g) Instead of the annuity provided in this Article, an
15 employee having attained age 65 with at least 15 years of
16 service who withdraws from service on or after July 1, 1971
17 and whose annuity computed under other provisions of this
18 Article is less than the amount provided under this
19 paragraph, is entitled to a minimum annuity for life equal to
20 1% of the highest average annual salary, as salary is defined
21 and limited in this Section for any 4 consecutive years
22 within the last 10 years of service for each year of service,
23 plus the sum of \$25 for each year of service. The annuity
24 shall not exceed 60% of such highest average annual salary.

25 (g-1) Instead of any other retirement annuity provided
26 in this Article, an employee who has at least 10 years of
27 service and withdraws from service on or after January 1,
28 1999 may elect to receive a retirement annuity for life,
29 beginning no earlier than upon attainment of age 60, equal to
30 2.2% if withdrawal is before 60 days after the effective date
31 of this amendatory Act of the 92nd General Assembly or 2.4%
32 if withdrawal is 60 days after the effective date of this
33 amendatory Act of the 92nd General Assembly or later, of
34 final average salary for each year of service, subject to a

1 maximum of 75% of final average salary if withdrawal is
 2 before 60 days after the effective date of this amendatory
 3 Act of the 92nd General Assembly, or 80% if withdrawal is 60
 4 days after the effective date of this amendatory Act of the
 5 92nd General Assembly or later. For the purpose of
 6 calculating this annuity, "final average salary" means the
 7 highest average annual salary for any 4 consecutive years in
 8 the last 10 years of service.

9 (h) The minimum annuities provided under this Section
 10 shall be paid in equal monthly installments.

11 (i) The amendatory provisions of part (b) and (g) of
 12 this Section shall be effective July 1, 1971 and apply in the
 13 case of every qualifying employee withdrawing on or after
 14 July 1, 1971.

15 (j) The amendatory provisions of this amendatory Act of
 16 1985 (P.A. 84-23) relating to the discount of annuity because
 17 of retirement prior to attainment of age 60, and to the
 18 retirement formula, for those born before January 1, 1936,
 19 shall apply only to qualifying employees withdrawing on or
 20 after July 18, 1985.

21 (k) Beginning on January 1, 1999, the minimum amount of
 22 employee's annuity shall be \$850 per month for life for the
 23 following classes of employees, without regard to the fact
 24 that withdrawal occurred prior to the effective date of this
 25 amendatory Act of 1998:

26 (1) any employee annuitant alive and receiving a
 27 life annuity on the effective date of this amendatory Act
 28 of 1998, except a reciprocal annuity;

29 (2) any employee annuitant alive and receiving a
 30 term annuity on the effective date of this amendatory Act
 31 of 1998, except a reciprocal annuity;

32 (3) any employee annuitant alive and receiving a
 33 reciprocal annuity on the effective date of this
 34 amendatory Act of 1998, whose service in this fund is at

1 least 5 years;

2 (4) any employee annuitant withdrawing after age 60
3 on or after the effective date of this amendatory Act of
4 1998, with at least 10 years of service in this fund.

5 The increases granted under items (1), (2) and (3) of
6 this subsection (k) shall not be limited by any other Section
7 of this Act.

8 (Source: P.A. 90-32, eff. 6-27-97; 90-511, eff. 8-22-97;
9 90-766, eff. 8-14-98.)

10 (40 ILCS 5/8-150.1) (from Ch. 108 1/2, par. 8-150.1)

11 Sec. 8-150.1. Minimum annuities for widows. The widow
12 (otherwise eligible for widow's annuity under other Sections
13 of this Article 8) of an employee hereinafter described, who
14 retires from service or dies while in the service subsequent
15 to the effective date of this amendatory provision, and for
16 which widow the amount of widow's annuity and widow's prior
17 service annuity combined, fixed or provided for such widow
18 under other provisions of this Article is less than the
19 amount provided in this Section, shall, from and after the
20 date her otherwise provided annuity would begin, in lieu of
21 such otherwise provided widow's and widow's prior service
22 annuity, be entitled to the following indicated amount of
23 annuity:

24 (a) The widow of any employee who dies while in service
25 on or after the date on which he attains age 60 if the death
26 occurs before July 1, 1990, or on or after the date on which
27 he attains age 55 if the death occurs on or after July 1,
28 1990, with at least 20 years of service, or on or after the
29 date on which he attains age 50 if the death occurs on or
30 after the effective date of this amendatory Act of 1997 with
31 at least 30 years of service, shall be entitled to an annuity
32 equal to one-half of the amount of annuity which her deceased
33 husband would have been entitled to receive had he withdrawn

1 from the service on the day immediately preceding the date of
2 his death, conditional upon such widow having attained the
3 age of 60 or more years on such date if the death occurs
4 before July 1, 1990, or age 55 or more if the death occurs on
5 or after July 1, 1990, or age 50 or more if the death occurs
6 on or after January 1, 1998 and the employee is age 50 or
7 over with at least 30 years of service or age 55 or over with
8 at least 25 years of service. Except as provided in
9 subsection (k), this widow's annuity shall not, however,
10 exceed the sum of \$500 a month if the employee's death in
11 service occurs before January 23, 1987. The widow's annuity
12 shall not be limited to a maximum dollar amount if the
13 employee's death in service occurs on or after January 23,
14 1987.

15 If the employee dies in service before July 1, 1990, and
16 if such widow of such described employee shall not be 60 or
17 more years of age on such date of death, the amount provided
18 in the immediately preceding paragraph for a widow 60 or more
19 years of age, shall, in the case of such younger widow, be
20 reduced by 0.25% for each month that her then attained age is
21 less than 60 years if the employee was born before January 1,
22 1936 or dies in service on or after January 1, 1988, or by
23 0.5% for each month that her then attained age is less than
24 60 years if the employee was born on or after July 1, 1936
25 and dies in service before January 1, 1988.

26 If the employee dies in service on or after July 1, 1990,
27 and if the widow of the employee has not attained age 55 on
28 or before the employee's date of death, the amount otherwise
29 provided in this subsection (a) shall be reduced by 0.25% for
30 each month that her then attained age is less than 55 years;
31 except that if the employee dies in service on or after
32 January 1, 1998 at age 50 or over with at least 30 years of
33 service or at age 55 or over with at least 25 years of
34 service, there shall be no reduction due to the widow's age

1 if she has attained age 50 on or before the employee's date
2 of death, and if the widow has not attained age 50 on or
3 before the employee's date of death the amount otherwise
4 provided in this subsection (a) shall be reduced by 0.25% for
5 each month that her then attained age is less than 50 years.

6 (b) The widow of any employee who dies subsequent to the
7 date of his retirement on annuity, and who so retired on or
8 after the date on which he attained the age of 60 or more
9 years if retirement occurs before July 1, 1990, or on or
10 after the date on which he attained age 55 if retirement
11 occurs on or after July 1, 1990, with at least 20 years of
12 service, or on or after the date on which he attained age 50
13 if the retirement occurs on or after the effective date of
14 this amendatory Act of 1997 with at least 30 years of
15 service, shall be entitled to an annuity equal to one-half of
16 the amount of annuity which her deceased husband received as
17 of the date of his retirement on annuity, conditional upon
18 such widow having attained the age of 60 or more years on the
19 date of her husband's retirement on annuity if retirement
20 occurs before July 1, 1990, or age 55 or more if retirement
21 occurs on or after July 1, 1990, or age 50 or more if the
22 retirement on annuity occurs on or after January 1, 1998 and
23 the employee is age 50 or over with at least 30 years of
24 service or age 55 or over with at least 25 years of service.
25 Except as provided in subsection (k), this widow's annuity
26 shall not, however, exceed the sum of \$500 a month if the
27 employee's death occurs before January 23, 1987. The widow's
28 annuity shall not be limited to a maximum dollar amount if
29 the employee's death occurs on or after January 23, 1987,
30 regardless of the date of retirement; provided that, if
31 retirement was before January 23, 1987, the employee or
32 eligible spouse repays the excess spouse refund with interest
33 at the effective rate from the date of refund to the date of
34 repayment.

1 If the date of the employee's retirement on annuity is
2 before July 1, 1990, and if such widow of such described
3 employee shall not have attained such age of 60 or more years
4 on such date of her husband's retirement on annuity, the
5 amount provided in the immediately preceding paragraph for a
6 widow 60 or more years of age on the date of her husband's
7 retirement on annuity, shall, in the case of such then
8 younger widow, be reduced by 0.25% for each month that her
9 then attained age was less than 60 years if the employee was
10 born before January 1, 1936 or withdraws from service on or
11 after January 1, 1988, or by 0.5% for each month that her
12 then attained age is less than 60 years if the employee was
13 born on or after January 1, 1936 and withdraws from service
14 before January 1, 1988.

15 If the date of the employee's retirement on annuity is on
16 or after July 1, 1990, and if the widow of the employee has
17 not attained age 55 by the date of the employee's retirement
18 on annuity, the amount otherwise provided in this subsection
19 (b) shall be reduced by 0.25% for each month that her then
20 attained age is less than 55 years; except that if the
21 employee retires on annuity on or after January 1, 1998 at
22 age 50 or over with at least 30 years of service or at age 55
23 or over with at least 25 years of service, there shall be no
24 reduction due to the widow's age if she has attained age 50
25 on or before the employee's date of death, and if the widow
26 has not attained age 50 on or before the employee's date of
27 death the amount otherwise provided in this subsection (b)
28 shall be reduced by 0.25% for each month that her then
29 attained age is less than 50 years.

30 (c) The foregoing provisions relating to minimum
31 annuities for widows shall not apply to the widow of any
32 former municipal employee receiving an annuity from the fund
33 on August 9, 1965 or on the effective date of this amendatory
34 provision, who re-enters service as a municipal employee,

1 unless such employee renders at least 3 years of additional
2 service after the date of re-entry.

3 (d) In computing the amount of annuity which the husband
4 specified in the foregoing paragraphs (a) and (b) of this
5 Section would have been entitled to receive, or received,
6 such amount shall be the annuity to which such husband would
7 have been, or was entitled, before reduction in the amount of
8 his annuity for the purposes of the voluntary optional
9 reversionary annuity provided for in Sec. 8-139 of this
10 Article, if such option was elected.

11 (e) (Blank).

12 (f) (Blank).

13 (g) The amendatory provisions of this amendatory Act of
14 1985 relating to annuity discount because of age for widows
15 of employees born before January 1, 1936, shall apply only to
16 qualifying widows of employees withdrawing or dying in
17 service on or after July 18, 1985.

18 (h) Beginning on January 1, 1999, the minimum amount of
19 widow's annuity shall be \$800 per month for life for the
20 following classes of widows, without regard to the fact that
21 the death of the employee occurred prior to the effective
22 date of this amendatory Act of 1998:

23 (1) any widow annuitant alive and receiving a life
24 annuity on the effective date of this amendatory Act of
25 1998, except a reciprocal annuity;

26 (2) any widow annuitant alive and receiving a term
27 annuity on the effective date of this amendatory Act of
28 1998, except a reciprocal annuity;

29 (3) any widow annuitant alive and receiving a
30 reciprocal annuity on the effective date of this
31 amendatory Act of 1998, whose employee spouse's service
32 in this fund was at least 5 years;

33 (4) the widow of an employee with at least 10 years
34 of service in this fund who dies after retirement, if the

1 retirement occurred prior to the effective date of this
2 amendatory Act of 1998;

3 (5) the widow of an employee with at least 10 years
4 of service in this fund who dies after retirement, if
5 withdrawal occurs on or after the effective date of this
6 amendatory Act of 1998;

7 (6) the widow of an employee who dies in service
8 with at least 5 years of service in this fund, if the
9 death in service occurs on or after the effective date of
10 this amendatory Act of 1998.

11 The increases granted under items (1), (2), (3) and (4)
12 of this subsection (h) shall not be limited by any other
13 Section of this Act.

14 (i) The widow of an employee who retired or died in
15 service on or after January 1, 1985 and before July 1, 1990,
16 at age 55 or older, and with at least 35 years of service
17 credit, shall be entitled to have her widow's annuity
18 increased, effective January 1, 1991, to an amount equal to
19 50% of the retirement annuity that the deceased employee
20 received on the date of retirement, or would have been
21 eligible to receive if he had retired on the day preceding
22 the date of his death in service, provided that if the widow
23 had not attained age 60 by the date of the employee's
24 retirement or death in service, the amount of the annuity
25 shall be reduced by 0.25% for each month that her then
26 attained age was less than age 60 if the employee's
27 retirement or death in service occurred on or after January
28 1, 1988, or by 0.5% for each month that her attained age is
29 less than age 60 if the employee's retirement or death in
30 service occurred prior to January 1, 1988. However, in cases
31 where a refund of excess contributions for widow's annuity
32 has been paid by the Fund, the increase in benefit provided
33 by this subsection (i) shall be contingent upon repayment of
34 the refund to the Fund with interest at the effective rate

1 from the date of refund to the date of payment.

2 (j) If a deceased employee is receiving a retirement
3 annuity at the time of death and that death occurs on or
4 after June 27, 1997, the widow may elect to receive, in lieu
5 of any other annuity provided under this Article, 50% of the
6 deceased employee's retirement annuity at the time of death
7 reduced by 0.25% for each month that the widow's age on the
8 date of death is less than 55; except that if the employee
9 dies on or after January 1, 1998 and withdrew from service on
10 or after June 27, 1997 at age 50 or over with at least 30
11 years of service or at age 55 or over with at least 25 years
12 of service, there shall be no reduction due to the widow's
13 age if she has attained age 50 on or before the employee's
14 date of death, and if the widow has not attained age 50 on or
15 before the employee's date of death the amount otherwise
16 provided in this subsection (j) shall be reduced by 0.25% for
17 each month that her age on the date of death is less than 50
18 years. However, in cases where a refund of excess
19 contributions for widow's annuity has been paid by the Fund,
20 the benefit provided by this subsection (j) is contingent
21 upon repayment of the refund to the Fund with interest at the
22 effective rate from the date of refund to the date of
23 payment.

24 (k) For widows of employees who died before January 23,
25 1987 after retirement on annuity or in service, the maximum
26 dollar amount limitation on widow's annuity shall cease to
27 apply, beginning with the first annuity payment after the
28 effective date of this amendatory Act of 1997; except that if
29 a refund of excess contributions for widow's annuity has been
30 paid by the Fund, the increase resulting from this subsection
31 (k) shall not begin before the refund has been repaid to the
32 Fund, together with interest at the effective rate from the
33 date of the refund to the date of repayment.

34 (l) In lieu of any other annuity provided in this

1 Article, an eligible spouse of an employee who dies in
 2 service at least 60 days after the effective date of this
 3 amendatory Act of the 92nd General Assembly with at least 10
 4 years of service shall be entitled to an annuity of 50% of
 5 the minimum formula annuity earned and accrued to the credit
 6 of the employee at the date of death. For the purposes of
 7 this subsection, the minimum formula annuity earned and
 8 accrued to the credit of the employee is equal to 2.40% for
 9 each year of service of the highest average annual salary for
 10 any 4 consecutive years within the last 10 years of service
 11 immediately preceding the date of death, up to a maximum of
 12 80% of the highest average annual salary. This annuity shall
 13 not be reduced due to the age of the employee or spouse. In
 14 addition to any other eligibility requirements under this
 15 Article, the spouse is eligible for this annuity only if the
 16 marriage was in effect for 10 full years or more.

17 (Source: P.A. 90-32, eff. 6-27-97; 90-511, eff. 8-22-97;
 18 90-766, eff. 8-14-98.)

19 (40 ILCS 5/8-158) (from Ch. 108 1/2, par. 8-158)
 20 Sec. 8-158. Child's annuity. A child's annuity is
 21 payable monthly after the death of an employee parent to the
 22 child until the child's attainment of age 18, under the
 23 following conditions, if the child was born before the
 24 employee attained age 65, and before he withdrew from
 25 service:

26 (a) ~~upon death resulting from--injury--incurred--in~~
 27 ~~the-performance-of-an-act-of-duty;~~

28 (b) ~~upon death in service from any cause other than~~
 29 ~~injury--incurred-in-the-performance-of-an-act-of-duty,-if~~
 30 ~~the-employee-has-at-least-4-years-of--service--after--the~~
 31 ~~date--of--his-original-entry-into-service,-and-at-least-2~~
 32 ~~years-after-the-date-of-his-latest-re-entry;~~

33 (b) (e) upon death of an employee who withdraws

1 from service after age 55 (or after age 50 with at least
 2 30 years of service if withdrawal is on or after June 27,
 3 1997) and who has entered upon or is eligible for
 4 annuity.

5 Payment shall be made as provided in Section 8-125.

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

7 (40 ILCS 5/8-161) (from Ch. 108 1/2, par. 8-161)

8 Sec. 8-161. Ordinary disability benefit. An employee
 9 while under age 65 and prior to January 1, 1979, or while
 10 under age 70 and after January 1, 1979, who becomes disabled
 11 after the effective date as the result of any cause other
 12 than injury incurred in the performance of duty, shall be
 13 entitled to ordinary disability benefit during such
 14 disability, after the first 30 days thereof.

15 The first payment shall be made not later than one month
 16 after the benefit is granted and each subsequent payment
 17 shall be made not later than one month after the last
 18 preceding payment.

19 The disability benefit prescribed herein shall cease when
 20 the first of the following dates shall occur and the
 21 employee, if still disabled, shall thereafter be entitled to
 22 such annuity as is otherwise provided in this Article:

- 23 (a) the date disability ceases.
- 24 (b) the date the disabled employee attains age 65 for
 25 disability commencing prior to January 1, 1979.
- 26 (c) the date the disabled employee attains age 65 for
 27 disability commencing prior to attainment of age 60 in the
 28 service and after January 1, 1979.
- 29 (d) the date the disabled employee attains the age of 70
 30 for disability commencing after attainment of age 60 in the
 31 service and after January 1, 1979.
- 32 (e) the date the payments of the benefit shall exceed in
 33 the aggregate, throughout the employee's service, a period

1 equal to 1/4 of the total service rendered prior to the date
2 of disability but in no event more than 5 years. In
3 computing such total service any period during which the
4 employee received ordinary disability benefit shall be
5 excluded.

6 Any employee whose ordinary disability benefit was
7 terminated after January 1, 1979 by reason of his attainment
8 of age 65 and who continues disabled after age 65 may elect
9 before July 1, 1986 to have such benefits resumed beginning
10 at the time of such termination and continuing until
11 termination is required under this Section as amended by this
12 amendatory Act of 1985. The amount payable to any employee
13 for such resumed benefit for any period shall be reduced by
14 the amount of any retirement annuity paid to such employee
15 under this Article for the same period of time or by any
16 refund paid in lieu of annuity.

17 Ordinary disability benefit shall be 50% of the
18 employee's salary at the date of disability.

19 For ordinary disability benefits paid before January 1,
20 2001, before any payment, an amount equal to less the sum
21 ordinarily deducted from salary for all annuity purposes for
22 such period for which the ordinary disability benefit is made
23 shall be deducted from such payment and credited to the
24 employee as a deduction from salary for that period. The
25 sums so deducted shall ~~be-credited-to-the-employee-and-shall~~
26 be regarded, for annuity and refund purposes, as an amount
27 contributed by him.

28 For ordinary disability benefits paid on or after January
29 1, 2001, the fund shall credit sums equal to the amounts
30 ordinarily contributed by an employee for annuity purposes
31 for any period during which the employee receives ordinary
32 disability, and those sums shall be deemed for annuity
33 purposes and purposes of Section 8-173 as amounts contributed
34 by the employee. These amounts credited for annuity purposes

1 shall not be credited for refund purposes.

2 If a participating employee is eligible for a disability
3 benefit under the federal Social Security Act, the amount of
4 ordinary disability benefit under this Section attributable
5 to employment with the Chicago Housing Authority or the
6 Public Building Commission of the city shall be reduced, but
7 not to less than \$10 per month, by the amount that the
8 employee would be eligible to receive as a disability benefit
9 under the federal Social Security Act, whether or not that
10 federal benefit is based on service as a covered employee
11 under this Article. The reduction shall be effective as of
12 the month the employee is eligible for the social security
13 disability benefit. The Board may make this reduction
14 pending determination of eligibility for the social security
15 disability benefit, if it appears to the Board that the
16 employee may be eligible, and make an appropriate adjustment
17 if necessary after eligibility for the social security
18 disability benefit is determined. If the employee's social
19 security disability benefit is reduced or terminated because
20 of a refusal to accept rehabilitation services under the
21 federal Rehabilitation Act of 1973 or the federal Social
22 Security Act or because the employee is receiving a workers'
23 compensation benefit, the ordinary disability benefit under
24 this Section shall be reduced as if the employee were
25 receiving the full social security disability benefit.

26 The amount of ordinary disability benefit shall not be
27 reduced by reason of any increase in the amount of social
28 security disability benefit that takes effect after the month
29 of the initial reduction under this Section, other than an
30 increase resulting from a correction in the employee's wage
31 records.

32 (Source: P.A. 84-23.)

33 (40 ILCS 5/8-167) (from Ch. 108 1/2, par. 8-167)

1 Sec. 8-167. Restoration of rights.

2 (1) An employee who has withdrawn as a refund the
3 amounts credited for annuity purposes, and who re-enters
4 service and serves for periods comprising at least 2 years
5 after the date of the last refund paid to him, shall have his
6 annuity rights restored by compliance with the following
7 provisions:

8 (a) after such 2 year period, he shall repay to the
9 Fund, while in service, in full all refunds received,
10 together with interest at the effective rate from the
11 dates of refund to the date of repayment; or

12 (b) if payment is not made in a single sum, the
13 repayment may be made in installments by deductions from
14 salary or otherwise in such amounts and manner as the
15 board, by rule, may prescribe, with interest at the
16 effective rate accruing on unpaid balances; or

17 (c) if the employee withdraws from service or dies
18 in service before full repayment is made, such rights
19 shall not be restored, but the amount, including
20 interest, repaid by him, but without any further interest
21 otherwise normally credited, shall be refunded to him or
22 to his widow, or in the manner provided by the refund
23 provisions of this Article if no widow survives.

24 (2) A person who is employed full-time by a local labor
25 organization that represents municipal employees and has
26 withdrawn as a refund the amounts credited for annuity
27 purposes may elect to have his or her annuity rights restored
28 by repaying to the Fund in full all refunds received,
29 together with interest at the effective rate from the date of
30 the refund to the date of repayment. Repayment of a refund
31 under this subsection (2) does not require a return to
32 service, and this subsection applies without regard to
33 whether the person is in service on or after the effective
34 date of this amendatory Act of the 92nd General Assembly.

1 (3) This Section applies also to any person who received
2 a refund from any annuity and benefit fund or pension fund
3 which was merged into and superseded by the annuity and
4 benefit fund provided for in this Article on or after
5 December 31, 1959. Upon repayment such person shall receive
6 credit for all annuity purposes in the annuity and benefit
7 fund provided for in this Article for the period of service
8 covered by such refund.

9 (4) The amount of refund repayment is considered as
10 salary deductions for age and service annuity and widow's
11 annuity purposes in the case of a male person. In the latter
12 case the amount of refund repayment is allocated in the
13 applicable proportion for age and service and widow's annuity
14 purposes. Such person shall also be credited with city
15 contributions for age and service annuity, and widow's
16 annuity if a male employee, in the amount which would have
17 been credited and accrued if such person had been a
18 participant in and contributor to the annuity and benefit
19 fund provided for in this Article during the period of such
20 service on the basis of his salary during such period.

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

22 (40 ILCS 5/8-168) (from Ch. 108 1/2, par. 8-168)

23 Sec. 8-168. Refunds - Withdrawal before age 55 or with
24 less than 10 years of service.

25 1. An employee, without regard to length of service, who
26 withdraws before age 55, and any employee with less than 10
27 years of service who withdraws before age 60, shall be
28 entitled to a refund of the accumulated sums to his credit,
29 as of the date of withdrawal, for age and service annuity and
30 widow's annuity from amounts contributed by him, including
31 interest credited and including amounts contributed for him
32 for age and service and widow's annuity purposes by the city
33 while receiving duty disability benefits; provided that such

1 amounts contributed by the city after December 31, 1981,
2 while the employee is receiving duty disability benefits, and
3 amounts credited to the employee for annuity purposes by the
4 fund after December 31, 2000, while the employee is receiving
5 ordinary disability benefits, shall not be credited for
6 refund purposes. If he is a present employee he shall also be
7 entitled to a refund of the accumulations from any sums
8 contributed by him, and applied to any municipal pension fund
9 superseded by this fund.

10 2. Upon receipt of the refund, the employee surrenders
11 and forfeits all rights to any annuity or other benefits, for
12 himself and for any other persons who might have benefited
13 through him; provided that he may have such period of service
14 counted in computing the term of his service if he becomes an
15 employee before age 65, excepting as limited by the
16 provisions of paragraph (a) (3) of Section 8-232 of this
17 Article relating to the basis of computing the term of
18 service.

19 3. Any such employee shall retain such right to a refund
20 of such amounts when he shall apply for same until he
21 re-enters the service or until the amount of annuity shall
22 have been fixed as provided in this Article. Thereafter, no
23 such right shall exist in the case of any such employee.

24 4. Any such municipal employee who shall have served 10
25 or more years and who shall not withdraw the amounts
26 aforesaid to which he shall have a right of refund shall have
27 a right to annuity as stated in this Article.

28 5. Any such municipal employee who shall have served
29 less than 10 years and who shall not withdraw the amounts to
30 which he shall have a right to refund shall have a right to
31 have all such amounts and all other amounts to his credit for
32 annuity purposes on date of his withdrawal from service
33 retained to his credit and improved by interest while he
34 shall be out of the service at the rate of 3 1/2% or 3% per

1 annum (whichever rate shall apply under the provisions of
2 Section 8-155 of this Article) and used for annuity purposes
3 for his benefit and the benefit of any person who may have
4 any right to annuity through him because of his service,
5 according to the provisions of this Article in the event that
6 he shall subsequently re-enter the service and complete the
7 number of years of service necessary to attain a right to
8 annuity; but such sum shall be improved by interest to his
9 credit while he shall be out of the service only until he
10 shall have become 65 years of age.

11 (Source: P.A. 82-283.)

12 (40 ILCS 5/8-171) (from Ch. 108 1/2, par. 8-171)

13 Sec. 8-171. Refund in lieu of annuity. In lieu of an
14 annuity, an employee who withdraws and whose annuity would
15 amount to less than \$800 a month for life, may elect to
16 receive a refund of his accumulated contributions for annuity
17 purposes, based on the amounts contributed by him.

18 The widow of any employee, eligible for annuity upon the
19 death of her husband, whose widow's annuity would amount to
20 less than \$800 a month for life, may, in lieu of widow's
21 annuity, elect to receive a refund of the accumulated
22 contributions for annuity purposes, based on the amounts
23 contributed by her deceased employee husband, but reduced by
24 any amounts theretofore paid to him in the form of an annuity
25 or refund out of such accumulated contributions.

26 Accumulated contributions shall mean the amounts -
27 including the interest credited thereon - contributed by the
28 employee for age and service and widow's annuity to the date
29 of his withdrawal or death, whichever first occurs, including
30 any amounts contributed for him as salary deductions while
31 receiving duty disability benefits, and, if not otherwise
32 included, any accumulations from sums contributed by him and
33 applied to any pension fund superseded by this fund; provided

1 that such amounts contributed by the city after December 31,
 2 1981 while the employee is receiving duty disability benefits
 3 and amounts credited to the employee for annuity purposes by
 4 the fund after December 31, 2000 while the employee is
 5 receiving ordinary disability shall not be included.

6 The acceptance of such refund in lieu of widow's annuity,
 7 on the part of a widow, shall not deprive a child or children
 8 of the right to receive a child's annuity as provided for in
 9 Sections 8-158 and 8-159 of this Article, and neither shall
 10 the payment of a child's annuity in the case of such refund
 11 to a widow reduce the amount herein set forth as refundable
 12 to such widow electing a refund in lieu of widow's annuity.

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

14 (40 ILCS 5/8-227) (from Ch. 108 1/2, par. 8-227)

15 Sec. 8-227. Service as police officer, firefighter or
 16 teacher.

17 (a) Service rendered by an employee as a police officer
 18 and member of the regularly constituted police department of
 19 the city, or as a firefighter and regular member of the paid
 20 fire department of the city, or as a teacher in the public
 21 school system in the city shall be counted, for the purposes
 22 of this Article, as service rendered as an employee of the
 23 city. Salary received for any such service shall be treated,
 24 for the purposes of this Article, as salary received for the
 25 performance of duty as an employee.

26 (b) Subsection (a) applies ~~The--foregoing--provisions~~
 27 ~~shall-apply~~ to service rendered after the effective date only
 28 if the employee pays to the Fund, prior to his separation
 29 from service, an amount equal to what would have accumulated
 30 in his or her account from salary deductions as employee
 31 contributions, including interest at the effective rate, if
 32 such contributions had been made for age and service and
 33 spouse's annuity during all of such service; provided, that

1 no service shall be counted or payments received for any
2 period of service for which the employee retains or has not
3 forfeited his or her rights to credit for the same period of
4 service in another annuity and benefit fund, or pension fund,
5 in operation in the city for the benefit of such police
6 officers, firefighters, or teachers. The amount transferred
7 to the Fund under item (1) of Section 5-233.1, if any, shall
8 be credited against the contributions required under this
9 subsection.

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

11 (40 ILCS 5/8-230.7)

12 Sec. 8-230.7. Service rendered to Public Building
13 Commission.

14 (a) An employee or former employee of the Public
15 Building Commission of the city who has established credit
16 under the Fund with regard to service to an employer other
17 than the Public Building Commission of the city may
18 contribute to the Fund and receive credit for all periods of
19 full-time employment with by the Public Building Commission
20 created by the employing city occurring prior to 60 days
21 after the effective date of this amendatory Act, except for
22 those periods for which the employee retains a right to
23 credit in another public pension fund or retirement system
24 established under this Code. Such service credit shall be
25 paid for and granted on the same basis and under the same
26 conditions as are applicable in the case of employees who
27 make payment for past service under Section 8-230, provided
28 that the person must also pay the corresponding employer
29 contributions, and further provided that the contributions
30 and service credit are permitted under Section 415 of the
31 Internal Revenue Code of 1986. The contributions shall be
32 based on the salary actually received by the person from the
33 Commission for that employment.

1 (b) A person establishing service credit under
2 subsection (a) or electing to participate in the Fund under
3 subsection (d) may, at the same time, reinstate service
4 credit that was terminated through receipt of a refund by
5 repaying to the Fund the amount of the refund plus interest
6 at the effective rate from the date of the refund to the date
7 of repayment.

8 (c) An eligible person may establish service credit
9 under subsection (a) and reinstate service credit under
10 subsection (b) without returning to active service as an
11 employee under this Article, but the required contributions
12 and repayment must be received by the Fund before the person
13 begins to receive a retirement annuity under this Article.

14 (d) Within 60 days after beginning full-time employment
15 with the Public Building Commission of the city (or within 60
16 days after the effective date of this amendatory Act of the
17 92nd General Assembly, whichever is later), a person having
18 service credits in this Fund or reinstating service credits
19 under subsection (b) may elect to participate in this Fund
20 with respect to that Public Building Commission employment.
21 An employee who participates in this Fund with respect to
22 Public Building Commission employment shall not, with respect
23 to the same period of employment, participate in any other
24 pension plan for employees of the Commission for which
25 contributions are made by the Commission, except that this
26 provision shall not prevent an employee from making elective
27 contributions to a plan of deferred compensation during that
28 period. An election under this subsection (d), once made, is
29 irrevocable.

30 Participation under this subsection shall be on the same
31 basis and under the same conditions as are applicable in the
32 case of participating employees of the city. Employee
33 contributions shall be based on the salary actually received
34 by the employee for that employment. Employer contributions

1 shall be paid by the Public Building Commission rather than
 2 the city, at a rate to be determined by the Retirement Board.
 3 (Source: P.A. 90-766, eff. 8-14-98.)

4 (40 ILCS 5/8-230.9 new)

5 Sec. 8-230.9. Service rendered to Chicago Housing
 6 Authority.

7 (a) Within 60 days after beginning full-time employment
 8 with the Chicago Housing Authority (or within 60 days after
 9 the effective date of this amendatory Act of the 92nd General
 10 Assembly, whichever is later), a person having service
 11 credits in this Fund or reinstating service credits under
 12 subsection (c) may elect to participate in this Fund with
 13 respect to that Chicago Housing Authority employment. An
 14 employee who participates in this Fund with respect to
 15 Chicago Housing Authority employment shall not, with respect
 16 to the same period of employment, participate in any other
 17 pension plan for employees of the Authority for which
 18 contributions are made by the Authority, except that this
 19 provision shall not prevent an employee from making elective
 20 contributions to a plan of deferred compensation during that
 21 period. An election under this subsection (a), once made, is
 22 irrevocable.

23 Participation under this subsection shall be on the same
 24 basis and under the same conditions as are applicable in the
 25 case of participating employees of the city. Employee
 26 contributions shall be based on the salary actually received
 27 by the employee for that employment. Employer contributions
 28 shall be paid by the Chicago Housing Authority rather than
 29 the city, at a rate to be determined by the Retirement Board.

30 (b) An employee or former employee of the Chicago
 31 Housing Authority who has established credit under the Fund
 32 with regard to service to an employer other than the Chicago
 33 Housing Authority may contribute to the Fund and receive

1 credit for all periods of full-time employment with the
2 Chicago Housing Authority occurring prior to 60 days after
3 the effective date of this amendatory Act, except for those
4 periods for which the employee retains a right to credit in
5 another public pension fund or retirement system established
6 under this Code. Such service credit shall be paid for and
7 granted on the same basis and under the same conditions as
8 are applicable in the case of employees who make payment for
9 past service under Section 8-230, provided that the person
10 must also pay the corresponding employer contributions, and
11 further provided that the contributions and service credit
12 are permitted under Section 415 of the Internal Revenue Code
13 of 1986. The contributions shall be based on the salary
14 actually received by the person from the Authority for that
15 employment.

16 (c) A person establishing service credit under
17 subsection (b) or electing to participate in the Fund under
18 subsection (a) may, at the same time, reinstate service
19 credit that was terminated through receipt of a refund by
20 repaying to the Fund the amount of the refund plus interest
21 at the effective rate from the date of the refund to the date
22 of repayment.

23 (d) An eligible person may establish service credit
24 under subsection (b) and reinstate service credit under
25 subsection (c) without returning to active service as an
26 employee under this Article, but the required contributions
27 and repayment must be received by the Fund before the person
28 begins to receive a retirement annuity under this Article.

29 (40 ILCS 5/8-230.10 new)

30 Sec. 8-230.10. Service rendered to IHDA. An employee
31 with at least 10 years of creditable service in the Fund may
32 establish service credit for up to 7 years of full-time
33 employment by the Illinois Housing Development Authority for

1 which the employee does not have credit in another public
2 pension fund or retirement system.

3 To establish service credit under this Section, the
4 employee must apply to the Fund in writing by July 1, 2002
5 and pay to the Fund, at any time before beginning to receive
6 a retirement annuity under this Article, an amount to be
7 determined by the Fund, consisting of (i) employee
8 contributions based on the salary actually received by the
9 person from the Illinois Housing Development Authority for
10 that employment and the contribution rates then in effect for
11 employees of the Fund, (ii) the corresponding employer
12 contributions, and (iii) regular interest on the amounts in
13 items (i) and (ii) from the date of the service to the date
14 of payment.

15 (40 ILCS 5/8-243.2) (from Ch. 108 1/2, par. 8-243.2)
16 Sec. 8-243.2. Alternative annuity for city officers.

17 (a) For the purposes of this Section and Sections
18 8-243.1 and 8-243.3, "city officer" means the city clerk, the
19 city treasurer, or an alderman of the city elected by vote of
20 the people, while serving in that capacity or as provided in
21 subsection (f), who has elected to participate in the Fund.

22 (b) Any elected city officer, while serving in that
23 capacity or as provided in subsection (f), may elect to
24 establish alternative credits for an alternative annuity by
25 electing in writing to make additional optional
26 contributions in accordance with this Section and the
27 procedures established by the board. Such elected city
28 officer may discontinue making the additional optional
29 contributions by notifying the Fund in writing in accordance
30 with this Section and procedures established by the board.

31 Additional optional contributions for the alternative
32 annuity shall be as follows:

33 (1) For service after the option is elected, an

1 additional contribution of 3% of salary shall be
2 contributed to the Fund on the same basis and under the
3 same conditions as contributions required under Sections
4 8-174 and 8-182.

5 (2) For service before the option is elected, an
6 additional contribution of 3% of the salary for the
7 applicable period of service, plus interest at the
8 effective rate from the date of service to the date of
9 payment. All payments for past service must be paid in
10 full before credit is given. No additional optional
11 contributions may be made for any period of service for
12 which credit has been previously forfeited by acceptance
13 of a refund, unless the refund is repaid in full with
14 interest at the effective rate from the date of refund to
15 the date of repayment.

16 (c) In lieu of the retirement annuity otherwise payable
17 under this Article, any city officer elected by vote of the
18 people who (1) has elected to participate in the Fund and
19 make additional optional contributions in accordance with
20 this Section, and (2) has attained age 55 60 with at least 10
21 years of service credit, or has attained age 60 65 with at
22 least 8 years of service credit, may elect to have his
23 retirement annuity computed as follows: 3% of the
24 participant's salary at the time of termination of service
25 for each of the first 8 years of service credit, plus 4% of
26 such salary for each of the next 4 years of service credit,
27 plus 5% of such salary for each year of service credit in
28 excess of 12 years, subject to a maximum of 80% of such
29 salary. To the extent such elected city officer has made
30 additional optional contributions with respect to only a
31 portion of his years of service credit, his retirement
32 annuity will first be determined in accordance with this
33 Section to the extent such additional optional contributions
34 were made, and then in accordance with the remaining Sections

1 of this Article to the extent of years of service credit with
2 respect to which additional optional contributions were not
3 made.

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

21 (e) Refunds of additional optional contributions shall
22 be made on the same basis and under the same conditions as
23 provided under Sections 8-168, 8-170 and 8-171. Interest
24 shall be credited at the effective rate on the same basis and
25 under the same conditions as for other contributions.
26 Optional contributions shall be accounted for in a separate
27 Elected City Officer Optional Contribution Reserve. Optional
28 contributions under this Section shall be included in the
29 amount of employee contributions used to compute the tax levy
30 under Section 8-173.

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

1 The plan of optional alternative benefits and
2 contributions shall not be available to any former city
3 officer or employee receiving an annuity from the Fund on the
4 effective date of the plan, unless he re-enters service as an
5 elected city officer and renders at least 3 years of
6 additional service after the date of re-entry. However, a
7 person who holds office as a city officer on June 1, 1995
8 ~~April--30,--1991~~ may elect to participate in the plan, to
9 transfer credits into the Fund from other Articles of this
10 Code, and to make the contributions required for prior
11 service, until 30 days after the effective date of this
12 amendatory Act of the 92nd General Assembly ~~the-plan-takes~~
13 ~~effect~~, notwithstanding the ending of his term of office
14 prior to that effective date; in the event that the person is
15 already receiving an annuity from this Fund or any other
16 Article of this Code at the time of making this election, the
17 annuity shall be recalculated to include any increase
18 resulting from participation in the plan, with such increase
19 taking effect on the effective date of the election plan.

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

21 (40 ILCS 5/11-125.8)

22 Sec. 11-125.8. Service as police officer, firefighter, or
23 teacher.

24 (a) Service rendered by an employee as a police officer
25 and member of the regularly constituted police department of
26 the city, or as a firefighter and regular member of the paid
27 fire department of the city, or as a teacher in the public
28 school system in the city shall be counted, for the purposes
29 of this Article, as service rendered as an employee of the
30 city. Salary received for any such service shall be treated,
31 for the purposes of this Article, as salary received for the
32 performance of duty as an employee.

33 (b) Credit shall be granted under subsection (a) only if

1 (1) the employee pays to the Fund prior to his or her
2 separation from service an amount equal to the employee
3 contributions that would have been payable for that service,
4 based on the salary actually received, plus interest at the
5 effective rate, and (2) the employee has terminated any
6 credit for that service earned in any other annuity and
7 benefit fund or pension fund in operation in the city for the
8 benefit of police officers, firefighters, or teachers. The
9 amount transferred to the Fund under item (1) of Section
10 5-233.1, if any, shall be credited against the contributions
11 required under this subsection.

12 (Source: P.A. 90-31, eff. 6-27-97.)

13 (40 ILCS 5/11-134) (from Ch. 108 1/2, par. 11-134)

14 Sec. 11-134. Minimum annuities.

15 (a) An employee whose withdrawal occurs after July 1,
16 1957 at age 60 or over, with 20 or more years of service, (as
17 service is defined or computed in Section 11-216), for whom
18 the age and service and prior service annuity combined is
19 less than the amount stated in this Section, shall, from and
20 after the date of withdrawal, in lieu of all annuities
21 otherwise provided in this Article, be entitled to receive an
22 annuity for life of an amount equal to 1 2/3% for each year
23 of service, of the highest average annual salary for any 5
24 consecutive years within the last 10 years of service
25 immediately preceding the date of withdrawal; provided, that
26 in the case of any employee who withdraws on or after July 1,
27 1971, such employee age 60 or over with 20 or more years of
28 service, shall be entitled to instead receive an annuity for
29 life equal to 1.67% for each of the first 10 years of
30 service; 1.90% for each of the next 10 years of service;
31 2.10% for each year of service in excess of 20 but not
32 exceeding 30; and 2.30% for each year of service in excess of
33 30, based on the highest average annual salary for any 4

1 consecutive years within the last 10 years of service
2 immediately preceding the date of withdrawal.

3 An employee who withdraws after July 1, 1957 and before
4 January 1, 1988, with 20 or more years of service, before age
5 60, shall be entitled to an annuity, to begin not earlier
6 than age 55, if under such age at withdrawal, as computed in
7 the last preceding paragraph, reduced 0.25% if the employee
8 was born before January 1, 1936, or 0.5% if the employee was
9 born on or after January 1, 1936, for each full month or
10 fractional part thereof that his attained age when such
11 annuity is to begin is less than 60.

12 Any employee born before January 1, 1936 who withdraws
13 with 20 or more years of service, and any employee with 20 or
14 more years of service who withdraws on or after January 1,
15 1988, may elect to receive, in lieu of any other employee
16 annuity provided in this Section, an annuity for life equal
17 to 1.80% for each of the first 10 years of service, 2.00% for
18 each of the next 10 years of service, 2.20% for each year of
19 service in excess of 20, but not exceeding 30, and 2.40% for
20 each year of service in excess of 30, of the highest average
21 annual salary for any 4 consecutive years within the last 10
22 years of service immediately preceding the date of
23 withdrawal, to begin not earlier than upon attained age of 55
24 years, if under such age at withdrawal, reduced 0.25% for
25 each full month or fractional part thereof that his attained
26 age when annuity is to begin is less than 60; except that an
27 employee retiring on or after January 1, 1988, at age 55 or
28 over but less than age 60, having at least 35 years of
29 service, or an employee retiring on or after July 1, 1990, at
30 age 55 or over but less than age 60, having at least 30 years
31 of service, or an employee retiring on or after the effective
32 date of this amendatory Act of 1997, at age 55 or over but
33 less than age 60, having at least 25 years of service, shall
34 not be subject to the reduction in retirement annuity because

1 of retirement below age 60.

2 However, in the case of an employee who retired on or
3 after January 1, 1985 but before January 1, 1988, at age 55
4 or older and with at least 35 years of service, and who was
5 subject under this subsection (a) to the reduction in
6 retirement annuity because of retirement below age 60, that
7 reduction shall cease to be effective January 1, 1991, and
8 the retirement annuity shall be recalculated accordingly.

9 Any employee who withdraws on or after July 1, 1990, with
10 20 or more years of service, may elect to receive, in lieu of
11 any other employee annuity provided in this Section, an
12 annuity for life equal to 2.20% for each year of service if
13 withdrawal is before 60 days after the effective date of this
14 amendatory Act of the 92nd General Assembly, or 2.40% for
15 each year of service if withdrawal is 60 days after the
16 effective date of this amendatory Act of the 92nd General
17 Assembly or later, of the highest average annual salary for
18 any 4 consecutive years within the last 10 years of service
19 immediately preceding the date of withdrawal, to begin not
20 earlier than upon attained age of 55 years, if under such age
21 at withdrawal, reduced 0.25% for each full month or
22 fractional part thereof that his attained age when annuity is
23 to begin is less than 60; except that an employee retiring at
24 age 55 or over but less than age 60, having at least 30 years
25 of service, shall not be subject to the reduction in
26 retirement annuity because of retirement below age 60.

27 Any employee who withdraws on or after the effective date
28 of this amendatory Act of 1997 with 20 or more years of
29 service may elect to receive, in lieu of any other employee
30 annuity provided in this Section, an annuity for life equal
31 to 2.20%, for each year of service if withdrawal is before 60
32 days after the effective date of this amendatory Act of the
33 92nd General Assembly, or 2.40% for each year of service if
34 withdrawal is 60 days after the effective date of this

1 amendatory Act of the 92nd General Assembly or later, of the
2 highest average annual salary for any 4 consecutive years
3 within the last 10 years of service immediately preceding the
4 date of withdrawal, to begin not earlier than upon attainment
5 of age 55 (age 50 if the employee has at least 30 years of
6 service), reduced 0.25% for each full month or remaining
7 fractional part thereof that the employee's attained age when
8 annuity is to begin is less than 60; except that an employee
9 retiring at age 50 or over with at least 30 years of service
10 or at age 55 or over with at least 25 years of service shall
11 not be subject to the reduction in retirement annuity because
12 of retirement below age 60.

13 The maximum annuity payable under this paragraph (a) of
14 this Section shall not exceed 70% of highest average annual
15 salary in the case of an employee who withdraws prior to July
16 1, 1971, 75% if withdrawal takes place on or after July 1,
17 1971, and prior to 60 days after the effective date of this
18 amendatory Act of the 92nd General Assembly, or 80% if
19 withdrawal is 60 days after the effective date of this
20 amendatory Act of the 92nd General Assembly or later. For the
21 purpose of the minimum annuity provided in said paragraphs
22 \$1,500 shall be considered the minimum annual salary for any
23 year; and the maximum annual salary to be considered for the
24 computation of such annuity shall be \$4,800 for any year
25 prior to 1953, \$6,000 for the years 1953 to 1956, inclusive,
26 and the actual annual salary, as salary is defined in this
27 Article, for any year thereafter.

28 (b) For an employee receiving disability benefit, his
29 salary for annuity purposes under this Section shall, for all
30 periods of disability benefit subsequent to the year 1956, be
31 the amount on which his disability benefit was based.

32 (c) An employee with 20 or more years of service, whose
33 entire disability benefit credit period expires prior to
34 attainment of age 55 while still disabled for service, shall

1 be entitled upon withdrawal to the larger of (1) the minimum
2 annuity provided above assuming that he is then age 55, and
3 reducing such annuity to its actuarial equivalent at his
4 attained age on such date, or (2) the annuity provided from
5 his age and service and prior service annuity credits.

6 (d) The minimum annuity provisions as aforesaid shall
7 not apply to any former employee receiving an annuity from
8 the fund, and who re-enters service as an employee, unless he
9 renders at least 3 years of additional service after the date
10 of re-entry.

11 (e) An employee in service on July 1, 1947, or who
12 became a contributor after July 1, 1947 and prior to July 1,
13 1950, or who shall become a contributor to the fund after
14 July 1, 1950 prior to attainment of age 70, who withdraws
15 after age 65 with less than 20 years of service, for whom the
16 annuity has been fixed under the foregoing Sections of this
17 Article shall, in lieu of the annuity so fixed, receive an
18 annuity as follows:

19 Such amount as he could have received had the accumulated
20 amounts for annuity been improved with interest at the
21 effective rate to the date of his withdrawal, or to
22 attainment of age 70, whichever is earlier, and had the city
23 contributed to such earlier date for age and service annuity
24 the amount that would have been contributed had he been under
25 age 65, after the date his annuity was fixed in accordance
26 with this Article, and assuming his annuity were computed
27 from such accumulations as of his age on such earlier date.
28 The annuity so computed shall not exceed the annuity which
29 would be payable under the other provisions of this Section
30 if the employee was credited with 20 years of service and
31 would qualify for annuity thereunder.

32 (f) In lieu of the annuity provided in this or in any
33 other Section of this Article, an employee having attained
34 age 65 with at least 15 years of service who withdraws from

1 service on or after July 1, 1971 and whose annuity computed
2 under other provisions of this Article is less than the
3 amount provided under this paragraph shall be entitled to
4 receive a minimum annual annuity for life equal to 1% of the
5 highest average annual salary for any 4 consecutive years
6 within the last 10 years of service immediately preceding
7 retirement for each year of his service plus the sum of \$25
8 for each year of service. Such annual annuity shall not
9 exceed the maximum percentages stated under paragraph (a) of
10 this Section of such highest average annual salary.

11 (f-1) Instead of any other retirement annuity provided
12 in this Article, an employee who has at least 10 years of
13 service and withdraws from service on or after January 1,
14 1999 may elect to receive a retirement annuity for life,
15 beginning no earlier than upon attainment of age 60, equal to
16 2.2% if withdrawal is before 60 days after the effective date
17 of this amendatory Act of the 92nd General Assembly or 2.4%
18 for each year of service if withdrawal is 60 days after the
19 effective date of this amendatory Act of the 92nd General
20 Assembly or later, of final average salary for each year of
21 service, subject to a maximum of 75% of final average salary
22 if withdrawal is before 60 days after the effective date of
23 this amendatory Act of the 92nd General Assembly, or 80% if
24 withdrawal is 60 days after the effective date of this
25 amendatory Act of the 92nd General Assembly or later. For the
26 purpose of calculating this annuity, "final average salary"
27 means the highest average annual salary for any 4 consecutive
28 years in the last 10 years of service.

29 (g) Any annuity payable under the preceding subsections
30 of this Section 11-134 shall be paid in equal monthly
31 installments.

32 (h) The amendatory provisions of part (a) and (f) of
33 this Section shall be effective July 1, 1971 and apply in the
34 case of every qualifying employee withdrawing on or after

1 July 1, 1971.

2 (i) The amendatory provisions of this amendatory Act of
3 1985 relating to the discount of annuity because of
4 retirement prior to attainment of age 60 and increasing the
5 retirement formula for those born before January 1, 1936,
6 shall apply only to qualifying employees withdrawing on or
7 after August 16, 1985.

8 (j) Beginning on January 1, 1999, the minimum amount of
9 employee's annuity shall be \$850 per month for life for the
10 following classes of employees, without regard to the fact
11 that withdrawal occurred prior to the effective date of this
12 amendatory Act of 1998:

13 (1) any employee annuitant alive and receiving a
14 life annuity on the effective date of this amendatory Act
15 of 1998, except a reciprocal annuity;

16 (2) any employee annuitant alive and receiving a
17 term annuity on the effective date of this amendatory Act
18 of 1998, except a reciprocal annuity;

19 (3) any employee annuitant alive and receiving a
20 reciprocal annuity on the effective date of this
21 amendatory Act of 1998, whose service in this fund is at
22 least 5 years;

23 (4) any employee annuitant withdrawing after age 60
24 on or after the effective date of this amendatory Act of
25 1998, with at least 10 years of service in this fund.

26 The increases granted under items (1), (2) and (3) of
27 this subsection (j) shall not be limited by any other Section
28 of this Act.

29 (Source: P.A. 90-32, eff. 6-27-97; 90-511, eff. 8-22-97;
30 90-766, eff. 8-14-98.)

31 (40 ILCS 5/11-134.1) (from Ch. 108 1/2, par. 11-134.1)
32 Sec. 11-134.1. Automatic increase in annuity.

33 (a) An employee who retired or retires from service

1 after December 31, 1963, and before January 1, 1987, having
2 attained age 60 or more, shall, in the month of January of
3 the year following the year in which the first anniversary of
4 retirement occurs, have the amount of his then fixed and
5 payable monthly annuity increased by 1 1/2%, and such first
6 fixed annuity as granted at retirement increased by a further
7 1 1/2% in January of each year thereafter. Beginning with
8 January of the year 1972, such increases shall be at the rate
9 of 2% in lieu of the aforesaid specified 1 1/2%. Beginning
10 January, 1984, such increases shall be at the rate of 3%.
11 Beginning in January of 1999, such increases shall be at the
12 rate of 3% of the currently payable monthly annuity,
13 including any increases previously granted under this
14 Article. An employee who retires on annuity after December
15 31, 1963 and before January 1, 1987, but prior to age 60,
16 shall receive such increases beginning with January of the
17 year immediately following the year in which he attains the
18 age of 60 years.

19 An employee who retires from service on or after January
20 1, 1987 shall, upon the first annuity payment date following
21 the first anniversary of the date of retirement, or upon the
22 first annuity payment date following attainment of age 60,
23 whichever occurs later, have his then fixed and payable
24 monthly annuity increased by 3%, and such annuity shall be
25 increased by an additional 3% of the original fixed annuity
26 on the same date each year thereafter. Beginning in January
27 of 1999, such increases shall be at the rate of 3% of the
28 currently payable monthly annuity, including any increases
29 previously granted under this Article.

30 (a-5) Notwithstanding the provisions of subsection (a),
31 upon the first annuity payment date following (1) the third
32 anniversary of retirement, (2) the attainment of age 53, or
33 (3) the date 60 days after the effective date of this
34 amendatory Act of the 92nd General Assembly, whichever occurs

1 latest, the monthly pension of an employee who retires on
 2 annuity prior to the attainment of age 60 who has not
 3 received an increase under subsection (a) shall be increased
 4 by 3%, and such annuity shall be increased by an additional
 5 3% of the current payable monthly annuity, including such
 6 increases previously granted under this Article, on the same
 7 date each year thereafter. The increases provided under this
 8 subsection are in lieu of the increases provided in
 9 subsection (a).

10 (b) The foregoing provision is not applicable to an
 11 employee retiring and receiving a term annuity, as defined in
 12 this Article, nor to any otherwise qualified employee who
 13 retires before he shall have made employee contributions (at
 14 the 1/2 of 1% rate as hereinafter provided) for the purposes
 15 of this additional annuity for not less than the equivalent
 16 of one full year. Such employee, however, shall make
 17 arrangement to pay to the fund a balance of such 1/2 of 1%
 18 contributions, based on his final salary, as will bring such
 19 1/2 of 1% contributions, computed without interest, to the
 20 equivalent of or completion of one year's contributions.

21 Beginning with the month of January, 1964, each employee
 22 shall contribute by means of salary deductions 1/2 of 1% of
 23 each salary payment, concurrently with and in addition to the
 24 employee contributions otherwise made for annuity purposes.

25 Each such additional employee contribution shall be
 26 credited to an account in the prior service annuity reserve,
 27 to be used, together with city contributions, to defray the
 28 cost of the specified annuity increments. Any balance as of
 29 the beginning of each calendar year existing in such account
 30 shall be credited with interest at the rate of 3% per annum.

31 Such employee contributions shall not be subject to
 32 refund, except to an employee who resigns or is discharged
 33 and applies for refund under this Article, and also in cases
 34 where a term annuity becomes payable.

1 In such cases the employee contributions shall be
2 refunded him, without interest, and charged to the
3 aforementioned account in the prior service annuity reserve.

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

5 (40 ILCS 5/11-145.1) (from Ch. 108 1/2, par. 11-145.1)

6 Sec. 11-145.1. Minimum annuities for widows.

7 The widow otherwise eligible for widow's annuity under
8 other Sections of this Article 11, of an employee hereinafter
9 described, who retires from service or dies while in the
10 service subsequent to the effective date of this amendatory
11 provision, and for which widow the amount of widow's annuity
12 and widow's prior service annuity combined, fixed or provided
13 for such widow under other provisions of said Article 11 is
14 less than the amount hereinafter provided in this section,
15 shall, from and after the date her otherwise provided annuity
16 would begin, in lieu of such otherwise provided widow's and
17 widow's prior service annuity, be entitled to the following
18 indicated amount of annuity:

19 (a) The widow of any employee who dies while in service
20 on or after the date on which he attains age 60 if the death
21 occurs before July 1, 1990, or on or after the date on which
22 he attains age 55 if the death occurs on or after July 1,
23 1990, with at least 20 years of service, or on or after the
24 date on which he attains age 50 if the death occurs on or
25 after the effective date of this amendatory Act of 1997 with
26 at least 30 years of service, shall be entitled to an annuity
27 equal to one-half of the amount of annuity which her deceased
28 husband would have been entitled to receive had he withdrawn
29 from the service on the day immediately preceding the date of
30 his death, conditional upon such widow having attained age 60
31 on or before such date if the death occurs before July 1,
32 1990, or age 55 if the death occurs on or after July 1, 1990,
33 or age 50 if the death occurs on or after January 1, 1998 and

1 the employee is age 50 or over with at least 30 years of
2 service or age 55 or over with at least 25 years of service.
3 Except as provided in subsection (j), the widow's annuity
4 shall not, however, exceed the sum of \$500 a month if the
5 employee's death in service occurs before January 23, 1987.
6 The widow's annuity shall not be limited to a maximum dollar
7 amount if the employee's death in service occurs on or after
8 January 23, 1987.

9 If the employee dies in service before July 1, 1990, and
10 if such widow of such described employee shall not be 60 or
11 more years of age on such date of death, the amount provided
12 in the immediately preceding paragraph for a widow 60 or more
13 years of age, shall, in the case of such younger widow, be
14 reduced by 0.25% for each month that her then attained age is
15 less than 60 years if the employee was born before January 1,
16 1936, or dies in service on or after January 1, 1988, or 0.5%
17 for each month that her then attained age is less than 60
18 years if the employee was born on or after January 1, 1936
19 and dies in service before January 1, 1988.

20 If the employee dies in service on or after July 1, 1990,
21 and if the widow of the employee has not attained age 55 on
22 or before the employee's date of death, the amount otherwise
23 provided in this subsection (a) shall be reduced by 0.25% for
24 each month that her then attained age is less than 55 years;
25 except that if the employee dies in service on or after
26 January 1, 1998 at age 50 or over with at least 30 years of
27 service or at age 55 or over with at least 25 years of
28 service, there shall be no reduction due to the widow's age
29 if she has attained age 50 on or before the employee's date
30 of death, and if the widow has not attained age 50 on or
31 before the employee's date of death the amount otherwise
32 provided in this subsection (a) shall be reduced by 0.25% for
33 each month that her then attained age is less than 50 years.

34 (b) The widow of any employee who dies subsequent to the

1 date of his retirement on annuity, and who so retired on or
2 after the date on which he attained age 60 if retirement
3 occurs before July 1, 1990, or on or after the date on which
4 he attained age 55 if retirement occurs on or after July 1,
5 1990, with at least 20 years of service, or on or after the
6 date on which he attained age 50 if the retirement occurs on
7 or after the effective date of this amendatory Act of 1997
8 with at least 30 years of service, shall be entitled to an
9 annuity equal to one-half of the amount of annuity which her
10 deceased husband received as of the date of his retirement on
11 annuity, conditional upon such widow having attained age 60
12 on or before the date of her husband's retirement on annuity
13 if retirement occurs before July 1, 1990, or age 55 if
14 retirement occurs on or after July 1, 1990, or age 50 if the
15 retirement on annuity occurs on or after January 1, 1998 and
16 the employee is age 50 or over with at least 30 years of
17 service or age 55 or over with at least 25 years of service.
18 Except as provided in subsection (j), this widow's annuity
19 shall not, however, exceed the sum of \$500 a month if the
20 employee's death occurs before January 23, 1987. The widow's
21 annuity shall not be limited to a maximum dollar amount if
22 the employee's death occurs on or after January 23, 1987,
23 regardless of the date of retirement; provided that, if
24 retirement was before January 23, 1987, the employee or
25 eligible spouse repays the excess spouse refund with interest
26 at the effective rate from the date of refund to the date of
27 repayment.

28 If the date of the employee's retirement on annuity is
29 before July 1, 1990, and if such widow of such described
30 employee shall not have attained such age of 60 or more years
31 on such date of her husband's retirement on annuity, the
32 amount provided in the immediately preceding paragraph for a
33 widow 60 or more years of age on the date of her husband's
34 retirement on annuity, shall, in the case of such then

1 younger widow, be reduced by 0.25% for each month that her
 2 then attained age was less than 60 years if the employee was
 3 born before January 1, 1936, or withdraws from service on or
 4 after January 1, 1988, or 0.5% for each month that her then
 5 attained age was less than 60 years if the employee was born
 6 on or after January 1, 1936 and withdraws from service before
 7 January 1, 1988.

8 If the date of the employee's retirement on annuity is on
 9 or after July 1, 1990, and if the widow of the employee has
 10 not attained age 55 by the date of the employee's retirement
 11 on annuity, the amount otherwise provided in this subsection
 12 (b) shall be reduced by 0.25% for each month that her then
 13 attained age is less than 55 years; except that if the
 14 employee retires on annuity on or after January 1, 1998 at
 15 age 50 or over with at least 30 years of service or at age 55
 16 or over with at least 25 years of service, there shall be no
 17 reduction due to the widow's age if she has attained age 50
 18 on or before the employee's date of death, and if the widow
 19 has not attained age 50 on or before the employee's date of
 20 death the amount otherwise provided in this subsection (b)
 21 shall be reduced by 0.25% for each month that her then
 22 attained age is less than 50 years.

23 (c) The foregoing provisions relating to minimum
 24 annuities for widows shall not apply to the widow of any
 25 former employee receiving an annuity from the fund on August
 26 2, 1965 or on the effective date of this amendatory
 27 provision, who re-enters service as a former employee, unless
 28 such employee renders at least 3 years of additional service
 29 after the date of re-entry.

30 (d) (Blank).

31 (e) (Blank).

32 (f) The amendments to this Section by this amendatory
 33 Act of 1985, relating to changing the discount because of age
 34 from 1/2 of 1% to 0.25% per month for widows of employees

1 born before January 1, 1936, shall apply only to qualifying
 2 widows whose husbands die while in the service on or after
 3 August 16, 1985 or withdraw and enter on annuity on or after
 4 August 16, 1985.

5 (g) Beginning on January 1, 1999, the minimum amount of
 6 widow's annuity shall be \$800 per month for life for the
 7 following classes of widows, without regard to the fact that
 8 the death of the employee occurred prior to the effective
 9 date of this amendatory Act of 1998:

10 (1) any widow annuitant alive and receiving a term
 11 annuity on the effective date of this amendatory Act of
 12 1998, except a reciprocal annuity;

13 (2) any widow annuitant alive and receiving a life
 14 annuity on the effective date of this amendatory Act of
 15 1998, except a reciprocal annuity;

16 (3) any widow annuitant alive and receiving a
 17 reciprocal annuity on the effective date of this
 18 amendatory Act of 1998, whose employee spouse's service
 19 in this fund was at least 5 years;

20 (4) the widow of an employee with at least 10 years
 21 of service in this fund who dies after retirement, if the
 22 retirement occurred prior to the effective date of this
 23 amendatory Act of 1998;

24 (5) the widow of an employee with at least 10 years
 25 of service in this fund who dies after retirement, if
 26 withdrawal occurs on or after the effective date of this
 27 amendatory Act of 1998;

28 (6) the widow of an employee who dies in service
 29 with at least 5 years of service in this fund, if the
 30 death in service occurs on or after the effective date of
 31 this amendatory Act of 1998.

32 The increases granted under items (1), (2), (3) and (4)
 33 of this subsection (g) shall not be limited by any other
 34 Section of this Act.

1 (h) The widow of an employee who retired or died in
2 service on or after January 1, 1985 and before July 1, 1990,
3 at age 55 or older, and with at least 35 years of service
4 credit, shall be entitled to have her widow's annuity
5 increased, effective January 1, 1991, to an amount equal to
6 50% of the retirement annuity that the deceased employee
7 received on the date of retirement, or would have been
8 eligible to receive if he had retired on the day preceding
9 the date of his death in service, provided that if the widow
10 had not attained age 60 by the date of the employee's
11 retirement or death in service, the amount of the annuity
12 shall be reduced by 0.25% for each month that her then
13 attained age was less than age 60 if the employee's
14 retirement or death in service occurred on or after January
15 1, 1988, or by 0.5% for each month that her attained age is
16 less than age 60 if the employee's retirement or death in
17 service occurred prior to January 1, 1988. However, in cases
18 where a refund of excess contributions for widow's annuity
19 has been paid by the Fund, the increase in benefit provided
20 by this subsection (h) shall be contingent upon repayment of
21 the refund to the Fund with interest at the effective rate
22 from the date of refund to the date of payment.

23 (i) If a deceased employee is receiving a retirement
24 annuity at the time of death and that death occurs on or
25 after June 27, 1997, the widow may elect to receive, in lieu
26 of any other annuity provided under this Article, 50% of the
27 deceased employee's retirement annuity at the time of death
28 reduced by 0.25% for each month that the widow's age on the
29 date of death is less than 55; except that if the employee
30 dies on or after January 1, 1998 and withdrew from service on
31 or after June 27, 1997 at age 50 or over with at least 30
32 years of service or at age 55 or over with at least 25 years
33 of service, there shall be no reduction due to the widow's
34 age if she has attained age 50 on or before the employee's

1 date of death, and if the widow has not attained age 50 on or
2 before the employee's date of death the amount otherwise
3 provided in this subsection (i) shall be reduced by 0.25% for
4 each month that her age on the date of death is less than 50
5 years. However, in cases where a refund of excess
6 contributions for widow's annuity has been paid by the Fund,
7 the benefit provided by this subsection (i) is contingent
8 upon repayment of the refund to the Fund with interest at the
9 effective rate from the date of refund to the date of
10 payment.

11 (j) For widows of employees who died before January 23,
12 1987 after retirement on annuity or in service, the maximum
13 dollar amount limitation on widow's annuity shall cease to
14 apply, beginning with the first annuity payment after the
15 effective date of this amendatory Act of 1997; except that if
16 a refund of excess contributions for widow's annuity has been
17 paid by the Fund, the increase resulting from this subsection
18 (j) shall not begin before the refund has been repaid to the
19 Fund, together with interest at the effective rate from the
20 date of the refund to the date of repayment.

21 (k) In lieu of any other annuity provided in this
22 Article, an eligible spouse of an employee who dies in
23 service at least 60 days after the effective date of this
24 amendatory Act of the 92nd General Assembly with at least 10
25 years of service shall be entitled to an annuity of 50% of
26 the minimum formula annuity earned and accrued to the credit
27 of the employee at the date of death. For the purposes of
28 this subsection, the minimum formula annuity earned and
29 accrued to the credit of the employee is equal to 2.40% for
30 each year of service of the highest average annual salary for
31 any 4 consecutive years within the last 10 years of service
32 immediately preceding the date of death, up to a maximum of
33 80% of the highest average annual salary. This annuity shall
34 not be reduced due to the age of the employee or spouse. In

1 addition to any other eligibility requirements under this
2 Article, the spouse is eligible for this annuity only if the
3 marriage was in effect for 10 full years or more.

4 (Source: P.A. 90-32, eff. 6-27-97; 90-511, eff. 8-22-97;
5 90-766, eff. 8-14-98.)

6 (40 ILCS 5/11-153) (from Ch. 108 1/2, par. 11-153)
7 Sec. 11-153. Child's annuity.

8 (a) A "Child's Annuity" shall be payable monthly after
9 the death of an employee parent to an unmarried child until
10 the child's attainment of age 18 or marriage, whichever event
11 shall first occur, under the following conditions, if the
12 child was born or in esse before the employee attained age
13 65, and before he withdrew from service:

14 (1) ~~upon--death--resulting--from--injury--incurred--in~~
15 ~~the--performance--of--an--act--of--duty;~~

16 {2} upon death in service from any cause other than
17 ~~injury--incurred--in--the--performance--of--duty,~~ ~~if--the~~
18 ~~employee--has--at--least--4--years--of--service--after--the--date~~
19 ~~of--his--original--entry--into--service,~~ ~~and--at--least--2--years~~
20 ~~after--the--date--of--his--latest--re--entry;~~

21 {2}{3} upon death of an employee who withdraws from
22 service after age 55 (or after age 50 with at least 30
23 years of service if withdrawal is on or after June 27,
24 1997) and who has entered upon or is eligible for
25 annuity.

26 Payment shall be made as provided in Section 11-124.

27 (b) After July 24, 1967, an adopted child shall be
28 entitled to the same child's annuity benefits provided for
29 natural children in this Article, if:

30 (1) the child was legally adopted by the employee
31 at least one year prior to the death of the employee; and

32 (2) the child was adopted before the employee
33 withdrew from service attained-age-55.

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

2 (40 ILCS 5/11-156) (from Ch. 108 1/2, par. 11-156)

3 Sec. 11-156. Ordinary disability benefit. An employee,
4 while under age 65 and prior to January 1, 1979, or while
5 under age 70 and after January 1, 1979, who becomes disabled
6 after the effective date as the result of any cause other
7 than injury incurred in the performance of any act or acts of
8 duty, shall be entitled to ordinary disability benefit during
9 such disability, after the first 30 days thereof.

10 The disability benefit prescribed herein shall cease when
11 the first of the following dates shall occur and the
12 employee, if still disabled, shall thereafter be entitled to
13 such annuity as is otherwise provided in this Article:

14 (a) the date disability ceases.

15 (b) the date the disabled employee attains age 65 for
16 disability commencing prior to January 1, 1979.

17 (c) the date the disabled employee attains 65 for
18 disability commencing prior to attainment of age 60 in the
19 service and after January 1, 1979.

20 (d) the date the disabled employee attains the age of 70
21 for disability commencing after attainment of age 60 in the
22 service and after January 1, 1979.

23 (e) the date the payments of the benefit shall exceed in
24 the aggregate, throughout the employee's service, a period
25 equal to 1/4 of the total service rendered prior to the date
26 of disability but in no event more than 5 years. In computing
27 such total the following periods shall be excluded:

28 (i) Any period during which the employee received
29 ordinary disability benefit;

30 (ii) Any period of absence from duty, whether caused by
31 layoff, leave of absence or suspension of employment, or any
32 other reason, unless the board, upon satisfactory evidence,
33 finds that the disability resulted from a cause which existed

1 or occurred prior to such period of absence. No employee who
2 becomes disabled and whose disability begins during absence
3 from duty (other than while on vacation with pay) shall have
4 any right to ordinary disability benefit, except as herein
5 provided, until he recovers from such disability and performs
6 the duties of his position in the service for at least 15
7 consecutive days, Sundays and holidays excepted, after such
8 recovery.

9 The first payment shall be made not later than one month
10 after the benefit is granted and each subsequent payment
11 shall be made not later than one month after the last
12 preceding payment.

13 Ordinary disability benefit shall be 50% of the
14 employee's salary at the date of disability.

15 For ordinary disability benefits paid before January 1,
16 2001, before any payment, an amount equal to,~~less~~ the sum
17 ordinarily deducted from salary for all annuity purposes for
18 such period for which the ordinary disability benefit is made
19 shall be deducted from such payment and credited to the
20 employee as a deduction from salary for that period. The
21 sums so deducted ~~shall be credited to the employee and~~ shall
22 be regarded, for annuity and refund purposes, as an amount
23 contributed by him.

24 For ordinary disability benefits paid on or after January
25 1, 2001, the fund shall credit sums equal to the amounts
26 ordinarily contributed by an employee for annuity purposes
27 for any period during which the employee receives ordinary
28 disability, and those sums shall be deemed for annuity
29 purposes and purposes of Section 11-169 as amounts
30 contributed by the employee. These amounts credited for
31 annuity purposes shall not be credited for refund purposes.

32 Any employee whose ordinary disability benefit was
33 terminated after January 1, 1979 by reason of his attainment
34 of age 65 and who continues disabled after age 65 may elect

1 before July 1, 1986 to have such benefits resumed beginning
 2 at the time of such termination and continuing until
 3 termination is required under this Section as amended by this
 4 amendatory Act of 1985. The amount payable to any employee
 5 for such resumed benefit for any period shall be reduced by
 6 the amount of any retirement annuity paid to such employee
 7 under this Article for the same period of time or by refund
 8 paid in lieu of annuity.

9 (Source: P.A. 85-964.)

10 (40 ILCS 5/11-164) (from Ch. 108 1/2, par. 11-164)
 11 Sec. 11-164. Refunds - Withdrawal before age 55 or with
 12 less than 10 years of service.

13 (1) An employee, without regard to length of service,
 14 who withdraws before age 55, and any employee with less than
 15 10 years of service who withdraws before age 60, shall be
 16 entitled to a refund of the total sum accumulated to his
 17 credit as of date of withdrawal for age and service annuity
 18 and widow's annuity from amounts contributed by him or by the
 19 City in lieu of employee contributions during duty
 20 disability; provided that such amounts contributed by the
 21 city after December 31, 1983 while the employee is receiving
 22 duty disability benefits and amounts credited to the employee
 23 for annuity purposes by the fund after December 31, 2000
 24 while the employee is receiving ordinary disability benefits
 25 shall not be credited for refund purposes.

26 The board may in its discretion withhold payment of
 27 refund for a period not to exceed 6 months from the date of
 28 withdrawal. Interest at the effective rate shall be paid on
 29 any such refund withheld during such withheld period not to
 30 exceed 6 months.

31 (2) Upon receipt of the refund, the employee surrenders
 32 and forfeits all rights to any annuity or other benefits, for
 33 himself and for any other persons who might have benefited

1 through him; provided that he may have such period of service
2 counted in computing the term of his service for age and
3 service annuity purposes only if he becomes an employee
4 before age 65.

5 (3) An employee who does not receive a refund shall have
6 all amounts to his credit for annuity purposes on the date of
7 his withdrawal improved by interest only until he becomes age
8 65, while out of service, at the effective rate, for his
9 benefit and the benefit of any person who may have any right
10 to annuity through him if he re-enters the service and
11 attains a right to annuity.

12 (4) Any such employee shall retain such right to refund
13 of such amounts when he shall apply for same, until he
14 re-enters the service or until the amount of annuity to which
15 he shall have a right shall have been fixed as provided in
16 this Article. Thereafter, no such right shall exist in the
17 case of any such employee.

18 (Source: P.A. 83-499.)

19 (40 ILCS 5/11-167) (from Ch. 108 1/2, par. 11-167)

20 Sec. 11-167. Refunds in lieu of annuity. In lieu of an
21 annuity, an employee who withdraws, and whose annuity would
22 amount to less than \$800 a month for life may elect to
23 receive a refund of the total sum accumulated to his credit
24 from employee contributions for annuity purposes.

25 The widow of any employee, eligible for annuity upon the
26 death of her husband, whose annuity would amount to less than
27 \$800 a month for life, may, in lieu of a widow's annuity,
28 elect to receive a refund of the accumulated contributions
29 for annuity purposes, based on the amounts contributed by her
30 deceased employee husband, but reduced by any amounts
31 theretofore paid to him in the form of an annuity or refund
32 out of such accumulated contributions.

33 Accumulated contributions shall mean the amounts

1 including interest credited thereon contributed by the
 2 employee for age and service and widow's annuity to the date
 3 of his withdrawal or death, whichever first occurs, and
 4 including the accumulations from any amounts contributed for
 5 him as salary deductions while receiving duty disability
 6 benefits; provided that such amounts contributed by the city
 7 after December 31, 1983 while the employee is receiving duty
 8 disability benefits and amounts credited to the employee for
 9 annuity purposes by the fund after December 31, 2000 while
 10 the employee is receiving ordinary disability benefits.

11 The acceptance of such refund in lieu of widow's annuity,
 12 on the part of a widow, shall not deprive a child or children
 13 of the right to receive a child's annuity as provided for in
 14 Sections 11-153 and 11-154 of this Article, and neither shall
 15 the payment of a child's annuity in the case of such refund
 16 to a widow reduce the amount herein set forth as refundable
 17 to such widow electing a refund in lieu of widow's annuity.

18 (Source: P.A. 90-655, eff. 7-30-98; 91-887, eff. 7-6-00.)

19 (40 ILCS 5/15-112) (from Ch. 108 1/2, par. 15-112)

20 Sec. 15-112. Final rate of earnings. "Final rate of
 21 earnings": For an employee who is paid on an hourly basis or
 22 who receives an annual salary in installments during 12
 23 months of each academic year, the average annual earnings
 24 during the 48 consecutive calendar month period ending with
 25 the last day of final termination of employment or the 4
 26 consecutive academic years of service in which the employee's
 27 earnings were the highest, whichever is greater. For any
 28 other employee, the average annual earnings during the 4
 29 consecutive academic years of service in which his or her
 30 earnings were the highest. For an employee with less than 48
 31 months or 4 consecutive academic years of service, the
 32 average earnings during his or her entire period of service.

33 The earnings of an employee with more than 36 months of

1 service prior to the date of becoming a participant are, for
2 such period, considered equal to the average earnings during
3 the last 36 months of such service. For an employee on leave
4 of absence with pay, or on leave of absence without pay who
5 makes contributions during such leave, earnings are assumed
6 to be equal to the basic compensation on the date the leave
7 began. For an employee on disability leave, earnings are
8 assumed to be equal to the basic compensation on the date
9 disability occurs or the average earnings during the 24
10 months immediately preceding the month in which disability
11 occurs, whichever is greater.

12 For a participant who retires on or after the effective
13 date of this amendatory Act of 1997 with at least 20 years of
14 service as a firefighter or police officer under this
15 Article, the final rate of earnings shall be the annual rate
16 of earnings received by the participant on his or her last
17 day as a firefighter or police officer under this Article, if
18 that is greater than the final rate of earnings as calculated
19 under the other provisions of this Section.

20 If a participant is an employee for at least 6 months
21 during the academic year in which his or her employment is
22 terminated, the annual final rate of earnings shall be 25% of
23 the sum of (1) the annual basic compensation for that year,
24 and (2) the amount earned during the 36 months immediately
25 preceding that year, if this is greater than the final rate
26 of earnings as calculated under the other provisions of this
27 Section.

28 In the determination of the final rate of earnings for an
29 employee, that part of an employee's earnings for any
30 academic year beginning after June 30, 1997, which exceeds
31 the employee's earnings with that employer for the preceding
32 year by more than 20 percent shall be excluded; in the event
33 that an employee has more than one employer this limitation
34 shall be calculated separately for the earnings with each

1 employer. In making such calculation, only the basic
2 compensation of employees shall be considered, without regard
3 to vacation or overtime or to contracts for summer
4 employment.

5 The following are not considered as earnings in
6 determining final rate of earnings: severance or separation
7 pay, retirement pay, payment ~~for in-lieu-of~~ unused sick leave
8 and payments from an employer for the period used in
9 determining final rate of earnings for any purpose other than
10 services rendered, leave of absence or vacation granted
11 during that period, and vacation of up to 56 work days
12 allowed upon termination of employment; except that, if the
13 benefit has been collectively bargained between the employer
14 and the recognized collective bargaining agent pursuant to
15 the Illinois Educational Labor Relations Act, payment
16 received during a period of up to 2 academic years for unused
17 sick leave may be considered as earnings in accordance with
18 the applicable collective bargaining agreement, subject to
19 the 20% increase limitation of this Section. Any unused sick
20 leave considered as earnings under this Section shall not be
21 taken into account in calculating service credit under
22 Section 15-113.4.

23 Intermittent periods of service shall be considered as
24 consecutive in determining final rate of earnings.

25 (Source: P.A. 90-65, eff. 7-7-97; 90-511, eff. 8-22-97;
26 91-887, eff. 7-6-00.)

27 Section 90. The State Mandates Act is amended by adding
28 Section 8.25 as follows:

29 (30 ILCS 805/8.25 new)

30 Sec. 8.25. Exempt mandate. Notwithstanding Sections 6
31 and 8 of this Act, no reimbursement by the State is required
32 for the implementation of any mandate created by this

1 amendatory Act of the 92nd General Assembly.

2 Section 99. Effective date. This Act takes effect upon

3 becoming law.