

1 AN ACT in relation to public employee benefits.

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

4 Section 5. The Illinois Pension Code is amended by
5 changing Section 5-132 as follows:

6 (40 ILCS 5/5-132) (from Ch. 108 1/2, par. 5-132)
7 Sec. 5-132. Minimum annuity.

8 (A) Any policeman who withdraws on or after July 8,
9 1957, or any policeman transferred to the police service of
10 the city under the Exchange of Functions Act of 1957 who
11 withdraws on or after July 17, 1959, after completing at
12 least 20 years of service, for whom the annuity otherwise
13 provided in this Article is less than that stated in this
14 Section, has a right to receive annuity as follows:

15 (a) If he is age 55 or more on withdrawal, his
16 annuity after such withdrawal, shall be equal to 2% of
17 the average salary for ~~4~~ consecutive years of highest
18 salaries within the last 10 years of service before
19 withdrawal, for each year of service, together with 1/6
20 of 1% of such average salary for each complete month of
21 service of each fractional year, but not in excess of 75%
22 of the average annual salary.

23 (b) If he is age 50 or more but less than age 55 on
24 withdrawal, his annuity shall be equal to 2% of the
25 average salary for ~~the 4 highest consecutive years of the~~
26 ~~last 10 years of service~~ for each year of service,
27 together with 1/16 of 1% of such average salary for each
28 month of each fractional year of service, reduced by 1/2
29 of 1% for each month that he is less than age 55.

30 (c) If he is less than age 50 on withdrawal, he
31 may, upon attainment of age 50 or over, become entitled

1 to the annuity provided in this Section or, he may, upon
2 application before age 50, receive a refund of the
3 deductions from salary, plus interest at 1 1/2% per annum
4 if he is entitled to refund under Section 5-163.

5 (d) In lieu of the annuity provided in the
6 foregoing provisions of this Section 5-132 any policeman
7 who withdraws from the service after December 31, 1973,
8 after having attained age 53 in the service with 23 or
9 more years of service credit shall be entitled to an
10 annuity computed as follows if such annuity is greater
11 than that provided in the foregoing paragraphs of this
12 Section 5-132: An annuity equal to 50% of the average
13 salary ~~for the 4 highest consecutive years of the last 10~~
14 ~~years of service~~ plus additional annuity equal to 2% of
15 such average salary for each completed year of service or
16 fraction thereof rendered after his attainment of age 53
17 and the completion of 23 years of service.

18 Any policeman who has completed 23 years of service
19 prior to his attainment of age 53 in the service and
20 continues in the service until his attainment of age 53
21 shall have added to his annuity, computed as provided in
22 the immediately preceding paragraph, an additional
23 annuity equal to 1% of such average salary for each
24 completed year of service or fraction thereof in excess
25 of 23 years up to age 53.

26 (e) In lieu of the annuity provided in the
27 foregoing provisions of this Section, any policeman who
28 withdraws from the service either (i) after December 31,
29 1983 with at least 22 years of service credit and having
30 attained age 52 in the service, or (ii) after December
31 31, 1984 with at least 21 years of service credit and
32 having attained age 51 in the service, or (iii) after
33 December 31, 1985 with at least 20 years of service
34 credit and having attained age 50 in the service, or (iv)

1 after December 31, 1990, with at least 20 years of
 2 service credit regardless of age, shall be entitled to an
 3 annuity to begin not earlier than upon attainment of age
 4 50 if under such age at withdrawal, computed as follows:
 5 an annuity equal to 50% of the average salary for--the--4
 6 highest--consecutive--years--of--the--last--10--years--of
 7 service, plus additional annuity equal to 2% of such
 8 average salary for each completed year of service or
 9 fraction thereof rendered after his completion of the
 10 minimum number of years of service required for him to be
 11 eligible under this subsection (e). However, the annuity
 12 provided under this subsection (e) may not exceed 75% of
 13 such average salary.

14 (f) A policeman who withdraws from service on or
 15 after the effective date of this amendatory Act of the
 16 92nd General Assembly with at least 25 years of service
 17 credit, regardless of age at withdrawal, may elect to
 18 receive, in lieu of any other annuity provided under this
 19 Article, an annuity equal to 2.25% of average salary for
 20 each completed year of service, but not to exceed a
 21 maximum of 75% of average salary. This annuity is
 22 payable without regard to the age of the annuitant.

23 (B) A policeman withdrawing after September 1, 1969,
 24 may, in addition, be entitled to the benefits provided by
 25 Section 5-167.1 of this Article if he so qualifies under that
 26 Section.

27 (C) If, on withdrawal, total service is less than 20
 28 years, the policeman shall not be entitled to an annuity
 29 under this Section but may receive an annuity under the other
 30 provisions of this Article or, if entitled thereto under
 31 Section 5-163, a refund of the deductions from salary,
 32 including, in the case of policemen transferred to the police
 33 service of the city under the Exchange of Functions Act of
 34 1957, the additional contribution paid on salary received

1 from August 1, 1957, to July 17, 1959, as provided in the
2 Park Policemen's Annuity Act, together with interest at 1
3 1/2% per annum.

4 Moneys voluntarily contributed under the Policemen's
5 Annuity and Benefit Fund Act of the Illinois Municipal Code,
6 or the Park Policemen's Annuity Act, shall be refunded to the
7 contributing policemen who were in service on January 1,
8 1954, or in the case of policemen transferred to the police
9 service of the city under the Exchange of Functions Act of
10 1957, who were in service on July 17, 1959.

11 The age and service annuity formula in this Section shall
12 not apply to any policeman who, having retired before July 8,
13 1957, or before July 17, 1959, in the case of a policeman
14 transferred under the provisions of the Exchange of Functions
15 Act of 1957, re-enters the police service after such dates,
16 whichever are applicable.

17 (D) For the purpose of this Section, "average salary"
18 means the average of the highest 4 consecutive years of
19 salary within the last 10 years of service.

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

21 Section 90. The State Mandates Act is amended by adding
22 Section 8.26 as follows:

23 (30 ILCS 805/8.26 new)

24 Sec. 8.26. Exempt mandate. Notwithstanding Sections 6
25 and 8 of this Act, no reimbursement by the State is required
26 for the implementation of any mandate created by this
27 amendatory Act of the 92nd General Assembly.

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