

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.