

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 5-132 and 5-148 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
 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) In lieu of the annuity provided in the
 15 foregoing provisions of this Section, a policeman who
 16 withdraws from the service after December 31, 2002 with
 17 at least 20 years of service credit may elect to receive
 18 an annuity, to begin not earlier than upon attainment of
 19 age 50 if under that age at withdrawal, equal to 50% of
 20 average salary plus 2.5% of average salary for each
 21 completed year of service or fraction thereof in excess
 22 of 20, but not to exceed a maximum of 80% of average
 23 salary.

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

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

1 1957, the additional contribution paid on salary received
2 from August 1, 1957, to July 17, 1959, as provided in the
3 Park Policemen's Annuity Act, together with interest at 1
4 1/2% per annum.

5 Moneys voluntarily contributed under the Policemen's
6 Annuity and Benefit Fund Act of the Illinois Municipal Code,
7 or the Park Policemen's Annuity Act, shall be refunded to the
8 contributing policemen who were in service on January 1,
9 1954, or in the case of policemen transferred to the police
10 service of the city under the Exchange of Functions Act of
11 1957, who were in service on July 17, 1959.

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

18 (D) For the purpose of this Section and Section 5-148,
19 "average salary" means the average of the highest 4
20 consecutive years of salary within the last 10 years of
21 service.

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

23 (40 ILCS 5/5-148) (from Ch. 108 1/2, par. 5-148)

24 Sec. 5-148. Maximum annuities. No annuity in excess of
25 75% of the highest salary considered for annuity purposes in
26 accordance with this Article (80% of average salary in the
27 case of a policeman whose annuity is calculated under
28 subdivision (A)(f) of Section 5-132) shall be payable to a
29 policeman, or to the widow of a policeman whose death results
30 from injury incurred in the performance of an act of duty.
31 No amount of annuity in excess of \$500 per month shall be
32 payable to the widow of a policeman whose death results from
33 any cause other than injury incurred in the performance of an

1 act of duty, except as provided in Section 5-136.1.

2 If, when a policeman's annuity is fixed, there is to his
3 credit, for such annuity, an amount in excess of that
4 necessary to provide an annuity of 75% of his highest salary
5 (80% of average salary in the case of a policeman whose
6 annuity is calculated under subdivision (A)(f) of Section
7 5-132), 7/24 of such excess shall be refunded if the
8 policeman is a future entrant; and if he is a present
9 employee, there shall be refunded, a part of such excess
10 amount proportionately equal to that part of the entire
11 amount to his credit for such annuity purposes, which the sum
12 that has resulted from salary deductions bears to such entire
13 amount.

14 Until January 1, 1986, if, when a widow's annuity is
15 fixed, there is to the policeman's credit, for widow's
16 annuity, an amount in excess of that necessary to provide an
17 annuity of \$500 per month, 1/3 of such excess shall be
18 refunded to the policeman if he is a future entrant; and, if
19 he is a present employee, there shall be refunded a part of
20 such excess amount proportionately equal to that part of the
21 entire amount to his credit for such annuity purposes which
22 the sum that has resulted from employee contributions bears
23 to such entire amount. If the widow's annuity is fixed on or
24 after January 1, 1986, no refund of excess contributions
25 shall be made under this paragraph.

26 Until January 1, 1986, if at the time of the death of a
27 policeman resulting from injury incurred in the performance
28 of an act of duty, there is to his credit, for widow's
29 annuity, an amount in excess of that necessary to provide an
30 annuity of 75% of his highest salary, or \$500 per month if
31 death results from any other cause, 1/3 of such excess shall
32 be refunded to his widow if he was a future entrant; and, if
33 he was a present employee, there shall be refunded to his
34 widow a part of such excess amount proportionately equal to

1 that part of the entire amount to his credit for such annuity
2 purposes which the sum that has resulted from employee's
3 contributions bears to such entire amount. If employee dies
4 in service on or after January 1, 1986, no refund of excess
5 contributions shall be made under this paragraph.

6 This amendatory Act of 1972 does not increase the amount
7 of any widow's annuity which is fixed before the effective
8 date of this amendatory Act of 1972.

9 (Source: P.A. 84-1104.)

10 Section 90. The State Mandates Act is amended by adding
11 Section 8.26 as follows:

12 (30 ILCS 805/8.26 new)

13 Sec. 8.26. Exempt mandate. Notwithstanding Sections 6
14 and 8 of this Act, no reimbursement by the State is required
15 for the implementation of any mandate created by this
16 amendatory Act of the 92nd General Assembly.

17 Section 99. Effective date. This Act takes effect upon
18 becoming law.