

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

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

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

28 (c) If he is less than age 50 on withdrawal, he may,  
29 upon attainment of age 50 or over, become entitled to the  
30 annuity provided in this Section or, he may, upon application  
31 before age 50, receive a refund of the deductions from

1 salary, plus interest at 1 1/2% per annum if he is entitled  
2 to refund under Section 5-163.

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

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

22 (e) In lieu of the annuity provided in the foregoing  
23 provisions of this Section any policeman who withdraws from  
24 the service either (i) after December 31, 1983 with at least  
25 22 years of service credit and having attained age 52 in the  
26 service, or (ii) after December 31, 1984 with at least 21  
27 years of service credit and having attained age 51 in the  
28 service, or (iii) after December 31, 1985 with at least 20  
29 years of service credit and having attained age 50 in the  
30 service, or (iv) after December 31, 1990, with at least 20  
31 years of service credit regardless of age, shall be entitled  
32 to an annuity to begin not earlier than upon attainment of  
33 age 50 if under such age at withdrawal, computed as follows:  
34 an annuity equal to 50% of the average salary for the 4

1 highest consecutive years of the last 10 years of service,  
2 plus additional annuity equal to 2% of such average salary  
3 for each completed year of service or fraction thereof  
4 rendered after his completion of the minimum number of years  
5 of service required for him to be eligible under this  
6 subsection (e).

7 In lieu of any other annuity provided under this Section,  
8 a policeman who withdraws from service after December 31,  
9 2002 with at least 20 years of service credit, regardless of  
10 age, shall be entitled to an annuity, to begin not earlier  
11 than upon attainment of age 50 if under such age at  
12 withdrawal, equal to 50% of the salary attached to the rank  
13 held on the last day of service or for one year prior to the  
14 last day, whichever is greater, plus 2.5% of that salary for  
15 each completed year of service or remaining fraction thereof  
16 over 20 years.

17 However, the annuity provided under this subsection (e)  
18 may not exceed 75% of such average (or, if applicable, last  
19 day) salary.

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

24 Except as provided in subsection (g), if, on withdrawal,  
25 total service is less than 20 years, the policeman shall not  
26 be entitled to an annuity under this Section but may receive  
27 an annuity under the other provisions of this Article or, if  
28 entitled thereto under Section 5-163, a refund of the  
29 deductions from salary, including, in the case of policemen  
30 transferred to the police service of the city under the  
31 Exchange of Functions Act of 1957, the additional  
32 contribution paid on salary received from August 1, 1957, to  
33 July 17, 1959, as provided in the Park Policemen's Annuity  
34 Act, together with interest at 1 1/2% per annum.

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

8 The age and service annuity formula in this Section shall  
9 not apply to any policeman who, having retired before July 8,  
10 1957, or before July 17, 1959, in the case of a policeman  
11 transferred under the provisions of the Exchange of Functions  
12 Act of 1957, re-enters the police service after such dates,  
13 whichever are applicable.

14 (g) In lieu of any other retirement annuity provided  
15 under this Article, a policeman who is mandatorily retired  
16 from service by operation of law due to age and has at least  
17 8 but fewer than 20 years of service credit shall be entitled  
18 to an annuity equal to 2.5% of the salary attached to the  
19 rank he or she held on the last day of service or for one  
20 year prior to the last day, whichever is greater, for each  
21 completed year of service.

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

23 Section 90. The State Mandates Act is amended by adding  
24 Section 8.26 as follows:

25 (30 ILCS 805/8.26 new)

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

30 Section 99. Effective date. This Act takes effect upon  
31 becoming law.