



# **SENATE JOURNAL**

**STATE OF ILLINOIS**

**ONE HUNDREDTH GENERAL ASSEMBLY**

**16TH LEGISLATIVE DAY**

**TUESDAY, FEBRUARY 28, 2017**

**12:28 O'CLOCK P.M.**

**SENATE**  
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**16th Legislative Day**

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The Senate met pursuant to adjournment.  
Senator Don Harmon, Oak Park, Illinois, presiding.  
Prayer by Pastor Robert Freeman, Grace United Methodist Church, Springfield, Illinois.  
Senator Cunningham led the Senate in the Pledge of Allegiance.

Senator Hunter moved that reading and approval of the Journals of Thursday, February 16, 2017 and Wednesday, February 22, 2017, be postponed, pending arrival of the printed Journals.  
The motion prevailed.

### **REPORTS RECEIVED**

The Secretary placed before the Senate the following reports:

Annual Flex Time Report pursuant to Public Act 87-552, submitted by the Department of Revenue.

Annual Flex Time Report pursuant to Public Act 87-552, submitted by the Department of Human Services.

Report on the outcomes and data of the Custody Relinquishment Prevention Act, submitted by the Department of Children and Family Services.

Annual Flex Time Report pursuant to Public Act 87-552, submitted by the Department of Healthcare and Family Services.

Annual Flex Time Report pursuant to Public Act 87-552, submitted by the Department of Juvenile Justice.

Annual Flex Time Report pursuant to Public Act 87-552, submitted by the Illinois Historic Preservation Agency.

FY 17 Affirmative Action Program Report, submitted by the Department of Commerce and Economic Opportunity.

Personal Information Protection Act Report, submitted by Northern Illinois University.

The foregoing reports were ordered received and placed on file in the Secretary's Office.

### **LEGISLATIVE MEASURES FILED**

The following Committee amendments to the Senate Bills listed below have been filed with the Secretary and referred to the Committee on Assignments:

Amendment No. 1 to Senate Bill 51  
Amendment No. 1 to Senate Bill 74  
Amendment No. 1 to Senate Bill 83  
Amendment No. 1 to Senate Bill 84  
Amendment No. 1 to Senate Bill 194  
Amendment No. 1 to Senate Bill 587  
Amendment No. 1 to Senate Bill 680  
Amendment No. 1 to Senate Bill 685  
Amendment No. 1 to Senate Bill 1258  
Amendment No. 1 to Senate Bill 1448  
Amendment No. 1 to Senate Bill 1519  
Amendment No. 1 to Senate Bill 1530  
Amendment No. 1 to Senate Bill 1564

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**MESSAGE FROM THE GOVERNOR**

STATE OF ILLINOIS  
**OFFICE OF THE GOVERNOR**  
CAPITOL BUILDING, 207 STATE HOUSE  
SPRINGFIELD, ILLINOIS 62706

**BRUCE RAUNER**  
GOVERNOR

February 24, 2017

To the Honorable  
Members of the Senate  
One-Hundredth General Assembly

Mr. President:

On May 10, 2016, appointment message 990494 nominating Jim Palos as Member of the Board of Higher Education was delivered to your Honorable Body. As of the date of this letter, it is my understanding that the Senate has not taken action on this nomination.

Please be advised that, the Appointment Message, for which concurrence in and confirmation of your Honorable Body was sought, is hereby withdrawn, effective at 4:30 PM on Friday, February 24, 2017.

Sincerely,  
s/Bruce Rauner  
Governor

cc: The Honorable Jesse White, Secretary of State

**PRESENTATION OF RESOLUTIONS**

**SENATE RESOLUTION NO. 213**

Offered by Senator Anderson and all Senators:  
Mourns the death of Daniel Edward Deardoff of Rock Island.

**SENATE RESOLUTION NO. 214**

Offered by Senator Anderson and all Senators:  
Mourns the death of Daniel M. Simatovich of Moline.

**SENATE RESOLUTION NO. 215**

Offered by Senators Rezin – Barickman and all Senators:  
Mourns the death of Rafael D. Castillo of Streator.

**SENATE RESOLUTION NO. 216**

Offered by Senator Haine and all Senators:  
Mourns the death of Lytle Leo George of Edwardsville.

**SENATE RESOLUTION NO. 218**

Offered by Senator Manar and all Senators:  
Mourns the death of Mary Jean Christen Cimarossa of New Berlin.

**SENATE RESOLUTION NO. 219**

Offered by Senator McGuire and all Senators:  
Mourns the death of Robert William “Bob” Piercy, Sr., of Joliet.

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**SENATE RESOLUTION NO. 221**

Offered by Senator Haine and all Senators:  
Mourns the death of Joseph “Joe” Sherman of Alton.

**SENATE RESOLUTION NO. 222**

Offered by Senator Haine and all Senators:  
Mourns the death of Harold E. Rich of Glen Carbon.

**SENATE RESOLUTION NO. 223**

Offered by Senator Haine and all Senators:  
Mourns the death of Julie Geddes Crivello of Godfrey.

**SENATE RESOLUTION NO. 224**

Offered by Senator Haine and all Senators:  
Mourns the death of Harold W. Sinclair of Wood River.

By unanimous consent, the foregoing resolutions were referred to the Resolutions Consent Calendar.

Senator Hastings offered the following Senate Resolution, which was referred to the Committee on Assignments:

**SENATE RESOLUTION NO. 212**

WHEREAS, Benjamin O. Davis Sr. was born on July 1, 1877 in Washington, D.C. to Louis Davis, a servant to General John A. Logan and Henrietta Davis; and

WHEREAS, Benjamin Davis Sr. entered Howard University in 1897 and became a member of the black unity of the National Guard; and

WHEREAS, On July 13, 1898, Benjamin Davis Sr. enlisted as a volunteer soldier in the 8th United States Volunteer Infantry during the Spanish-American War; and

WHEREAS, On February 2, 1901, Benjamin Davis Sr. received a regular commission and was promoted to the rank of Second Lieutenant, serving with Troop M, 9th Calvary in the Philippines; and

WHEREAS, In 1902, Benjamin Davis Sr. had two children, Olive and Benjamin Jr., with his wife, Elnora Dickerson, who passed away shortly after giving birth to their second child; and

WHEREAS, Benjamin Davis Sr. was assigned to the Philippines as a supply officer of the 9th Calvary Camp Stotsenburg; shortly thereafter, he married Sadie Overton, an English teacher at Wilberforce University; and

WHEREAS, Benjamin Davis Sr. became a professor of military science and tactics at Wilberforce University, and later a professor of military science and tactics at the Tuskegee Institute; and

WHEREAS, In 1924, Benjamin Davis Sr. became an instructor of the 372nd Infantry of the Ohio National Guard in Cleveland; during the summers of 1930 to 1933, he traveled to Europe as the official Army representative for the Pilgrimage of War Mothers and Widows; and

WHEREAS, In 1938, Benjamin Davis Sr. was given his first independent command, the 369th National Guard Infantry Regiment; and

WHEREAS, On October 25, 1940, after 42 years of service in the Army, Benjamin Davis Sr. became the first black American General in the U.S. Army with a promotion to Brigadier General, where he served as Brigade Commander at Fort Riley, Kansas with the 2nd Cavalry Division; and

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WHEREAS, Benjamin Davis Sr. was appointed to the Committee on Negro Troop Policies, where he helped solve racial problems within the military; and

WHEREAS, Benjamin Davis Sr. was awarded the Distinguished Service Medal for combating segregation in the U.S. Armed Forces; and

WHEREAS, Benjamin Davis Sr. served his country for 50 years, retiring in 1948; he passed away on November 26, 1970 and was buried in Arlington National Cemetery; and

WHEREAS, Veterans of Foreign Wars Post 311 in Richton Park was incorporated on August 2, 2002 and named in honor of General Davis; therefore, be it

RESOLVED, BY THE SENATE OF THE ONE HUNDREDTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we honor the life and legacy of General Benjamin O. Davis Sr. and declare August 2, 2017 as General Benjamin O. Davis Sr. Day in the State of Illinois.

Senator McCann offered the following Senate Resolution, which was referred to the Committee on Assignments:

**SENATE RESOLUTION NO. 217**

WHEREAS, Lymphedema is swelling that occurs in the arms and legs of an individual, often caused by the removal of, or damage to, lymph nodes as part of a cancer treatment or other infection; and

WHEREAS, The factors that increase the risk of lymphedema include cancer treatment, age, excess weight or obesity, or rheumatoid or psoriatic arthritis; and

WHEREAS, Undiagnosed lymphedema can lead to serious complications, such as bacterial infections of the skin and lymph vessels or lymphangiosarcoma, which is a rare form of soft tissue cancer that results from severe cases of the disease; and

WHEREAS, Lymphedema cannot be cured, but the symptoms can be managed through a variety of treatment options, such as exercise, massage, therapy, and compression garments; and

WHEREAS, The necessary compression garments and therapy treatment options can cost between \$200-\$3,000 for a patient and are often not covered by insurance plans; and

WHEREAS, Lymphedema is not well-known and is often undiagnosed; therefore, be it

RESOLVED, BY THE SENATE OF THE ONE HUNDREDTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we encourage increased public awareness of lymphedema; and be it further

RESOLVED, That suitable copies of this resolution be delivered to the Governor, the Director of the Department of Public Health, all constitutional officers, and all members of the General Assembly in order to raise awareness of lymphedema.

Senator Mulroe offered the following Senate Resolution, which was referred to the Committee on Assignments:

**SENATE RESOLUTION NO. 220**

WHEREAS, Approximately one in every 700 babies in the United States is born with Down syndrome, making Down syndrome the most common chromosomal condition and about 6,000 babies with Down syndrome are born in the United States each year; and

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WHEREAS, The lives of people with Down syndrome have been transformed over the past half century; as recently as the early 1980s, the average life span of those with Down syndrome was 25 years; today, the life expectancy is approximately 60 years; and

WHEREAS, The length and quality of life of those with Down syndrome have been transformed; today, many adults with Down syndrome live semi-independently or even on their own, leading healthy and productive lives, complete with jobs, volunteer work, recreational activities, and personal relationships; and

WHEREAS, The Adult Down Syndrome Center of Advocate Medical Group at Advocate Lutheran General was established in 1992 at the request of leaders of the National Association for Down Syndrome (NADS) who desired a clinic for adults with Down syndrome; the hospital took a leap of faith and assigned Brian Chicoine, MD, the newest faculty member in the Family Medicine department, to help launch a practice; and

WHEREAS, The Center began a twice-a-month clinic that served less than 100 patients; today, it has grown into a five-day-a-week primary care practice providing approximately 7,000 patient visits annually, making it the busiest and most experienced clinic of its kind in the nation, as well as a leader in research, education, and the dissemination; and

WHEREAS, For the past 25 years, the Center has been dedicated to its mission of enhancing the well-being of adolescents and adults with Down syndrome using a team approach to provide comprehensive, community-based health care services; it is guided by three principles: 1) health is more than the absence of disease; it involves physical, mental, and spiritual well-being; 2) individuals with Down syndrome should become active participants in their health care; and 3) research, health-promoting education, and the dissemination of research findings and best practices in health promotion will improve care for people with Down syndrome and foster understanding, acceptance, and inclusion; and

WHEREAS, Dr. Chicoine is supported by a talented staff of medical professionals, including a physician, registered and licensed dietitian, nurse practitioner, licensed clinical social worker, licensed occupational therapist, two patient advocates, three certified medical assistants, patient representative, clinical coordinator, and practice manager; and

WHEREAS, Compared to the general population, adults with Down syndrome experience greater incidence of congenital heart abnormalities, thyroid problems, obesity, type-1 diabetes, vision problems, hearing loss, and Alzheimer's disease; they also experience less common conditions such as heart attacks, high blood pressure, solid cancer tumors, and strokes; the Center's patient database has the potential to be instrumental in unlocking these mysteries; and

WHEREAS, In addition to medical care, the Center's programs focus on health promotion and psychosocial skills, training to help individuals with Down syndrome lead healthy and productive lives; the Center disseminates health promotion resources and research findings through collaborations, publications, and events that communicate the experience and findings of the initiative to people with Down syndrome, their families, and health care professionals; therefore, be it

RESOLVED, BY THE SENATE OF THE ONE HUNDREDTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we declare March 15, 2017 as Adult Down Syndrome Awareness Day in the State of Illinois; and be it further

RESOLVED, That a suitable copy of this resolution be presented to the Adult Down Syndrome Center of Advocate Medical Group at Advocate Lutheran General Hospital as an expression of our esteem and respect.

Senator Silverstein offered the following Senate Resolution, which was referred to the Committee on Assignments:

**SENATE RESOLUTION NO. 225**

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WHEREAS, In the first two months of 2017, anti-Semitic events have been on the rise throughout the United States; these events are attempts to incite fear and disrupt daily life in peaceful communities; and

WHEREAS, This trend has been seen in Illinois when The Loop Synagogue in Chicago was vandalized in early February with broken windows and anti-Semitic graffiti that included swastikas; and

WHEREAS, The Chesed Shel Emeth Society cemetery near St. Louis, Missouri, which dates back to the late 1800s, was vandalized over the President's Day weekend with more than 150 tombstones damaged or toppled over, an example of a long-standing, anti-Semitic practice of desecrating cemeteries; and

WHEREAS, One week later, the Mount Carmel Jewish Cemetery in northeastern Philadelphia, Pennsylvania was vandalized with as many as 500 headstones knocked over or damaged; and

WHEREAS, A bomb threat was made to the Hyde Park Jewish Community Center, one of more than 50 phoned threats to these facilities in cities across the nation in recent weeks; and

WHEREAS, In spite of actions taken against groups based on race, religion, or ethnic origin in our country's history, America has always come together to denounce and overcome hate and stand united for tolerance and inclusion; therefore, be it

RESOLVED, BY THE SENATE OF THE ONE HUNDREDTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that we condemn these acts of hate and fear, that we will respond to this latest wave of threats with love and assistance to victims of these acts, and that we will work tirelessly as individuals and a legislative body to encourage peace and acceptance in every community in our great State.

Senator Clayborne offered the following Senate Resolution, which was referred to the Committee on Assignments:

**SENATE RESOLUTION NO. 226**

RESOLVED, BY THE SENATE OF THE ONE HUNDREDTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that the Rules of the Senate of the 100th General Assembly are amended by changing Rules 3-4, 3-6, 3-9, 3-14, 3-15, 5-1, 5-4, 5-7, 6-1, 9-1, and 10-2 as follows:

(Senate Rule 3-4)

3-4. Standing Committees. The Standing Committees of the Senate are as follows:

AGRICULTURE

APPROPRIATIONS I

APPROPRIATIONS II

COMMERCE AND ECONOMIC DEVELOPMENT

CRIMINAL LAW

EDUCATION

ENERGY AND PUBLIC UTILITIES

ENVIRONMENT AND CONSERVATION

EXECUTIVE

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EXECUTIVE APPOINTMENTS

FINANCIAL INSTITUTIONS

GAMING

GOVERNMENT REFORM

HUMAN SERVICES

HIGHER EDUCATION

INSURANCE

JUDICIARY

LABOR

LICENSED ACTIVITIES AND PENSIONS

LOCAL GOVERNMENT

PUBLIC HEALTH

REVENUE

STATE GOVERNMENT

TELECOMMUNICATIONS AND INFORMATION TECHNOLOGY

TRANSPORTATION

VETERANS AFFAIRS

(Source: S.R. 2, 100th G.A.)

(Senate Rule 3-6)

3-6. Referrals of Resolutions, Messages, and Reorganization Orders.

(a) All resolutions, after being initially read by the Secretary, shall be automatically referred to the Committee on Assignments unless the Presiding Officer determines that the resolution is a death resolution and orders that the resolution be placed on the Resolutions Consent Calendar. Resolutions determined by the Committee on Assignments to be of a non-substantive, commemorative, or congratulatory nature shall be returned to the principal sponsor for action pursuant to Rule 6-4. No resolution may be placed on the Resolutions Consent Calendar if any member objects.

(b) All messages from the Governor or any other executive branch Constitutional Officer or other appointing authority regarding appointments that require confirmation by the Senate shall, after having been initially read by the Secretary, automatically be referred to the Executive Appointments Committee on Assignments.

(c) All executive reorganization orders of the Governor issued pursuant to Article V, Section 11 of the Constitution, after being read into the record by the Secretary, shall automatically be referred to the Committee on Assignments for its referral to a committee, the latter of which may issue a recommendation to the Senate with respect to the executive order. The Senate may disapprove of any executive order only by resolution adopted by a majority of those elected; no such resolution is in order until a committee has reported to the Senate on the executive reorganization, or until the executive order has been discharged pursuant to Rule 7-9.

(Source: S.R. 2, 100th G.A.)

(Senate Rule 3-9)

3-9. Re-Referrals to the Committee on Assignments.

(a) All legislative measures, with the exception of resolutions to amend the State Constitution and Legislative Petitions, that have failed to meet the applicable deadline established in accordance with Rule 2-10 for reporting to the Senate by a standing committee shall automatically be re-referred to the Committee on Assignments unless: (i) the deadline has been suspended pursuant to Rule 7-17, with re-referral to the Committee on Assignments to occur if the bill has not been reported to the Senate in accordance with the revised deadline; or (ii) the Committee on Assignments has issued a written exception to the Secretary with respect to a particular bill prior to the reporting deadline, with re-referral to occur, if at all, in accordance with the written exception. Should the President in accordance with Rule 2-10 establish deadlines for action on joint action motions or conference committee reports, the foregoing re-referral provisions and exceptions shall apply with respect to those legislative measures that fail to meet those deadlines.

(b) All legislative measures, with the exception of resolutions to amend the State Constitution and Appointment Messages, pending before the Senate or any of its committees shall automatically be re-referred to the Committee on Assignments on the 31st consecutive day that the Senate has not convened for session unless: (i) this Rule has been suspended in accordance with Rule 7-17; or (ii) the Committee on Assignments has issued a written exception to the Secretary prior to that 31st day. (Source: S.R. 2, 100th G.A.)

~~3-14. (Blank).  
(Source: S.R. 2, 100th G.A.)~~

~~3-15. (Blank).  
(Source: S.R. 2, 100th G.A.)  
(Senate Rule 5-1)~~

5-1. Bills.

(a) A bill may be introduced in the Senate by sponsorship of one or more members of the Senate, whose names shall be on the printed copies of the bills, in the Senate Journal, and in the Legislative Digest. The principal sponsor shall be the first name to appear on the bill and may be joined by no more than four chief cosponsors with the approval of the principal sponsor; other cosponsors shall be separated from the principal sponsor and any chief cosponsors by a comma. By motion, the sponsorship of a bill may be changed to that of another Senator (or Senators, as the case may be), or to that of the standing committee to which the bill was referred or from which the bill was reported. Such a motion may be made at any time the bill is pending before the Senate or any of its committees. If the principal sponsor of a measure still pending before the General Assembly ceases to be a member of the Senate, sponsorship of such pending measures shall be automatically transferred to the leader of that former member's party or the party with which the former member caucused, either the President or Minority Leader. If the principal sponsor is not a member of either the President or Minority Leader's party, then the sponsorship shall be transferred to the President.

(b) The principal sponsor of a bill shall control the bill and may allow a chief cosponsor (i) to present the bill on Third Reading with written approval or (ii) to move the bill from Second Reading to Third Reading. A committee-sponsored bill shall be controlled by the Chairperson of the committee, who for purposes of these Senate Rules shall be deemed the principal sponsor. Committee-sponsored bills may not have individual cosponsors.

(c) (1) The House sponsor of a bill originating in the House may request substitute Senate sponsorship of that bill by filing a notice with the Secretary; that notice shall automatically be referred to the Committee on Assignments and deemed adopted if approved by the Committee on Assignments.

(2) The notice shall include the bill number, the name of the Senate chief sponsor to be substituted, the signature of the House sponsor, the signature of the substitute Senate chief sponsor, and a statement that the original Senate sponsor was provided with notice of intent to request a substitute Senate sponsor.

(3) The Committee on Assignments shall act on any notice within three session days (excluding perfunctory session days). If the Committee on Assignments fails to act on that notice within three session days, then the notice shall be deemed approved and the Senate sponsorship of the House Bill will be substituted pursuant to the notice. The President of the Senate may suspend in writing the operation of the three session day automatic approval process set forth under this subsection (c) if the President determines

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that the Rules Committee of the House of Representatives has failed to act on any Senator's request to substitute House sponsorship of a Senate Bill.

(d) All bills introduced in the Senate shall be read by title a first time, ordered printed, and automatically referred to the Committee on Assignments in accordance with Rule 3-8. When a House Bill is received, it shall be taken up, ordered printed, and placed on the order of House Bills on First Reading; after having been read a first time, it shall automatically be referred to the Committee on Assignments in accordance with Rule 3-8.

~~(e) A bill shall be introduced by filing six copies with the Secretary. All bills introduced into the Senate shall be accompanied by six copies.~~ Any bill that amends a statute shall indicate the particular changes in the following manner:

(1) All new matter shall be underscored.

(2) All matter that is to be omitted or superseded shall be shown crossed with a line.

(f) No bill shall be passed by the Senate except on a roll call vote of a majority of those elected. A bill that has lost and has not been reconsidered may not thereafter be revived.

(Source: S.R. 2, 100th G.A.)

(Senate Rule 5-4)

5-4. Amendments.

(a) An amendment to a bill may be adopted either by a standing committee when the bill is before that committee, or by the Senate when a bill is on the order of Second Reading. The former shall be known as a "committee amendment" and the latter as a "floor amendment". All amendments must be in writing. All amendments still pending in a committee upon the passage or defeat of a bill on Third Reading shall automatically be tabled.

(b) Committee amendments may only be offered by the principal sponsor or a member of the committee while the affected bill is before the committee, and shall be adopted by a majority of those appointed. Floor amendments may only be offered by a Senator while the bill is on the order of Second Reading, and shall be adopted by a majority vote of the Senate. An amendment may be the subject of a motion to "do adopt" or "do not adopt", and may only be adopted pursuant to a successful motion to "do adopt".

(c) Committee amendments and floor amendments shall be filed with the Secretary, and shall be in order only when six eight copies have been filed. The Secretary shall provide copies of committee amendments to the Chairperson and Minority Spokesperson of the appropriate committee as soon as practicable, such copies may be made available electronically.

(d) The Secretary shall have printed all adopted committee amendments that come before the Senate pursuant to Rule 3-12. The Secretary shall also have printed all adopted floor amendments. No floor amendment may be adopted by the Senate unless it has been first reproduced and placed on the members' desks or made available electronically.

(e) No floor or committee amendment shall be in order unless approved or referred by the Committee on Assignments in accordance with Rule 3-8 or brought before the Senate pursuant to Rule 7-9.

(f) Amendments that propose to alter any existing law shall set forth completely the statutory Sections amended, and shall conform to the requirements of Rule 5-1(e).

(g) If a committee reports a bill "do pass as amended", the committee amendments shall be deemed adopted by the committee action and shall be reproduced and placed on the members' desks or made available electronically before the bill may be read a second time.

(Source: S.R. 2, 100th G.A.)

~~5-7. (Blank).~~

~~(Source: S.R. 2, 100th G.A.)~~

(Senate Rule 6-1)

6-1. Resolutions.

(a) A resolution shall be introduced in the Senate by sponsorship of one or more members of the Senate, and the names of all sponsors shall be printed in the Senate Journal and in the Legislative Digest. Each resolution, except for a death resolution, ~~introduced~~ shall be introduced by filing six accompanied by eight copies; each death resolution shall be introduced by filing three copies.

(b) Any resolution calling for the expenditure of State funds may be adopted only by a roll call vote of a majority of those elected.

(c) The Secretary shall periodically print a Resolutions Consent Calendar, the Secretary may provide the Resolutions Consent Calendar electronically, which the Secretary shall periodically distribute prior to its consideration by the Senate (generally the last daily session of the week). No debate is in order regarding any resolution appearing on the Resolutions Consent Calendar. All resolutions appearing on the Resolutions Consent Calendar may be adopted in one motion; however, any Senator may vote "no" or "present" on any resolution appearing on the Resolutions Consent Calendar by providing written notice of that intention to the Secretary prior to the vote on the Resolutions Consent Calendar. Prior to the adoption of any resolution on the Resolutions Consent Calendar, if any three members file with the Secretary a written objection to the presence of a resolution thereon, that resolution shall be removed from the Resolutions Consent Calendar and is automatically referred to the Committee on Assignments.  
(Source: S.R. 2, 100th G.A.)

(Senate Rule 9-1)

9-1. Recording of Vetoes. Upon the receipt by the Senate of any bill returned by the Governor under any of the provisions of Article IV, Section 9 of the Constitution, the Secretary shall enter the objections of the Governor on the Journal, and shall distribute copies of all veto messages to each member's desk, together with copies of the vetoed bill or item, as soon as practicable. Such copies may be made available electronically.

(Source: S.R. 2, 100th G.A.)

(Senate Rule 10-2)

10-2. Appointment Messages.

(a) Every nomination subject to the advice and consent of the Senate shall be submitted to the Senate by an Appointment Message from the appointing officer or appointing authority in accordance with this Rule, using the Appointment Message form provided in this Rule, containing all of the required information, and accompanied by a cover letter signed by the appointing officer or on behalf of the appointing authority.

(b) All Appointment Messages shall be drafted by the Legislative Reference Bureau, according to the form provided in this Rule.

(c) Appointment Messages submitted shall be assigned a sequential number by the Secretary of the Senate, indicating the order in which they were received and read into the Senate record by the Secretary of the Senate at the direction of the President of the Senate. An Appointment Message is received by the Senate when it is read into the Senate record and assigned a sequential number. A perfunctory session day shall not be deemed to be a session day for the purpose of Article V, Section 9, subsection (a) of the Illinois Constitution.

(d) An Appointment Message that does not conform to the requirements of this Rule shall, at the direction of the President of the Senate, (i) be ruled non-compliant and of no legal effect and (ii) be returned by the Secretary of the Senate to the appointing officer or authority that filed it.

(e) The appointing officer or authority may file in accordance with this Rule an Appointment Message that supersedes a previously filed Appointment Message. A superseding Appointment Message shall identify by sequential number the Appointment Message that it supersedes. The filing of a superseding Appointment Message shall automatically table the Appointment Message that it supersedes, and that superseded Appointment Message shall have no further legal effect. The filing of a superseding Appointment Message shall not have the effect of restarting the 60 session day period within which the Senate must confirm or reject the appointee under Article V, Section 9, subsection (a) of the Illinois Constitution, Senate Rule 10-1, or any applicable law.

(f) Nothing in this Rule shall be construed to prohibit an appointing officer or authority from withdrawing in writing an Appointment Message that was previously submitted to or received by the

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Senate. An Appointment Message that has been withdrawn shall have no further legal effect. The filing of an Appointment Message appointing the same person to the same office and for a term ending on the same date as that of an Appointment Message that was previously filed and later withdrawn shall not have the effect of restarting the 60 session day period within which the Senate must confirm or reject the appointee under Article V, Section 9, subsection (a) of the Illinois Constitution, Senate Rule 10-1, or any applicable law.

(g) An Appointment Message (i) shall be a committee-sponsored legislative measure that is unamendable and (ii) shall be controlled by the Chairperson of the Executive Appointments Committee, who for purposes of these Senate Rules shall be deemed the principal sponsor. In the absence of the Chairperson, the Vice-Chairperson of the Executive Appointments Committee shall be deemed the principal sponsor. Messages may not have individual cosponsors.

(h) Any Appointment Message pending when the Senate adjourns *sine die* (i) shall carry over into the next General Assembly and (ii) shall be considered to have been received by the Senate when originally read into the Senate record as provided for in subsection (c) of this Rule. An Appointment Message carrying over into the next General Assembly shall retain the sequential number assigned when originally read into the Senate record as provided for in subsection (c) of this Rule.

(i) Form.

#### APPOINTMENT MESSAGE

To the Honorable Members of the Senate, ~~One Hundredth~~ ~~Ninety-Ninth~~ General Assembly:

(I, (Name and Title of Appointing Officer), am)/(The (Name of the Appointing Authority) is) nominating and, by and with the advice and consent of the Senate, appointing the following named individual to the office enumerated below. The advice and consent of this Honorable Body is respectfully requested.

Title of Office: (Insert Title and Position)

Agency or Other Body: (Name of Agency, Board, Commission, or other Body to Which Nomination is Being Made)

Start Date: (Insert Start Date)

End Date: (Insert End Date or Specify "Not Applicable")

Name: (Name of Nominee)

Residence: (Residential Address of Nominee)

Annual Compensation: (Insert Dollar Amount or Specify "Unsalariated")

Per diem: (Insert Dollar Amount or Specify "Not Applicable")

Nominee's Senator: Senator (Name of Senator in whose District the Nominee Resides)

Most Recent Holder of Office: (Insert Name or Specify "New Position")

Superseded Appointment Message: (Insert Sequence Number of Superseded Message or Specify "Not Applicable")

(Source: S.R. 2, 100th G.A.)

#### INTRODUCTION OF BILL

[February 28, 2017]

**SENATE BILL NO. 2168.** Introduced by Senator J. Cullerton, a bill for AN ACT concerning appropriations.

The bill was taken up, read by title a first time, ordered printed and referred to the Committee on Assignments.

**MESSAGES FROM THE HOUSE**

A message from the House by  
Mr. Mapes, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has passed bills of the following titles, in the passage of which I am instructed to ask the concurrence of the Senate, to-wit:

HOUSE BILL NO. 303

A bill for AN ACT concerning criminal law.

HOUSE BILL NO. 305

A bill for AN ACT concerning local government.

Passed the House, February 22, 2017.

TIMOTHY D. MAPES, Clerk of the House

The foregoing **House Bills Numbered 303 and 305** were taken up, ordered printed and placed on first reading.

A message from the House by  
Mr. Mapes, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has passed bills of the following titles, in the passage of which I am instructed to ask the concurrence of the Senate, to-wit:

HOUSE BILL NO. 66

A bill for AN ACT concerning State government.

HOUSE BILL NO. 299

A bill for AN ACT concerning public employee benefits.

HOUSE BILL NO. 395

A bill for AN ACT concerning State government.

HOUSE BILL NO. 534

A bill for AN ACT concerning property.

Passed the House, February 23, 2017.

TIMOTHY D. MAPES, Clerk of the House

The foregoing **House Bills Numbered 66, 299, 395 and 534** were taken up, ordered printed and placed on first reading.

A message from the House by  
Mr. Mapes, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has passed bills of the following titles, in the passage of which I am instructed to ask the concurrence of the Senate, to-wit:

HOUSE BILL NO. 622

A bill for AN ACT concerning government.

HOUSE BILL NO. 679

A bill for AN ACT concerning health.

HOUSE BILL NO. 703

A bill for AN ACT concerning civil law.

HOUSE BILL NO. 741

A bill for AN ACT concerning regulation.

Passed the House, February 23, 2017.

[February 28, 2017]

TIMOTHY D. MAPES, Clerk of the House

The foregoing **House Bills Numbered 622, 679, 703 and 741** were taken up, ordered printed and placed on first reading.

A message from the House by

Mr. Mapes, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has passed bills of the following titles, in the passage of which I am instructed to ask the concurrence of the Senate, to-wit:

HOUSE BILL NO. 743

A bill for AN ACT concerning local government.

HOUSE BILL NO. 771

A bill for AN ACT concerning local government.

HOUSE BILL NO. 776

A bill for AN ACT concerning local government.

Passed the House, February 23, 2017.

TIMOTHY D. MAPES, Clerk of the House

The foregoing **House Bills Numbered 743, 771 and 776** were taken up, ordered printed and placed on first reading.

A message from the House by

Mr. Mapes, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has adopted the following joint resolution, in the adoption of which I am instructed to ask the concurrence of the Senate, to-wit:

**HOUSE JOINT RESOLUTION NO. 35**

**BE IT RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE ONE HUNDREDTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, THE SENATE CONCURRING HEREIN**, that the two Houses shall convene in Joint Session on Wednesday, March 8, 2017 at 11 o'clock a.m. for the purpose of welcoming and celebrating the 2016 World Series Champion Chicago Cubs.

Adopted by the House, February 23, 2017.

TIMOTHY D. MAPES, Clerk of the House

The foregoing message from the House of Representatives reporting House Joint Resolution No. 35 was referred to the Committee on Assignments.

A message from the House by

Mr. Mapes, Clerk:

Mr. President -- I am directed to inform the Senate that the House of Representatives has passed bills of the following titles, in the passage of which I am instructed to ask the concurrence of the Senate, to-wit:

HOUSE BILL NO. 350

A bill for AN ACT concerning public employee benefits.

HOUSE BILL NO. 817

A bill for AN ACT concerning government.

Passed the House, February 24, 2017.

TIMOTHY D. MAPES, Clerk of the House

The foregoing **House Bills Numbered 350 and 817** were taken up, ordered printed and placed on first reading.

[February 28, 2017]

**APPOINTMENT MESSAGES**

**Appointment Message No. 1000104**

To the Honorable Members of the Senate, One Hundredth General Assembly:

I, Susana A. Mendoza, Comptroller, am nominating and, by and with the advice and consent of the Senate, appointing the following named individual to the office enumerated below. The advice and consent of this Honorable Body is respectfully requested.

Title of Office: Director of Human Resources

Agency or Other Body: Office of the Comptroller

Start Date: February 6, 2017

End Date: Not Applicable

Name: Michele R. Cusumano

Residence: 620 Crabapple Ln., Sherman, IL 62684

Annual Compensation: \$115,000

Per diem: Not Applicable

Nominee's Senator: Senator William E. Brady

Most Recent Holder of Office: Ryan Amerson

Superseded Appointment Message: Not Applicable

**Appointment Message No. 1000105**

To the Honorable Members of the Senate, One Hundredth General Assembly:

I, Susana A. Mendoza, Comptroller, am nominating and, by and with the advice and consent of the Senate, appointing the following named individual to the office enumerated below. The advice and consent of this Honorable Body is respectfully requested.

Title of Office: Chairman

Agency or Other Body: Merit Commission for the Office of the Comptroller

Start Date: February 17, 2017

End Date: January 18, 2022

Name: Ron Cooley

Residence: 167 Birch Rd., Petersburg, IL 62675

Annual Compensation: Not Applicable

Per diem: \$100 per meeting

Nominee's Senator: Senator William E. Brady

[February 28, 2017]



Most Recent Holder of Office: William Taft

Superseded Appointment Message: Not Applicable

**Appointment Message No. 1000106**

To the Honorable Members of the Senate, One Hundredth General Assembly:

I, Bruce Rauner, Governor, am nominating and, by and with the advice and consent of the Senate, appointing the following named individual to the office enumerated below. The advice and consent of this Honorable Body is respectfully requested.

Title of Office: Chair

Agency or Other Body: Employment Security Board of Review

Start Date: February 20, 2017

End Date: January 21, 2019

Name: Jack Calabro

Residence: 3020 N. Sheridan Rd., Chicago, IL 60657

Annual Compensation: \$15,000 per annum

Per diem: Not Applicable

Nominee's Senator: Senator John J. Cullerton

Most Recent Holder of Office: Reappointment

Superseded Appointment Message: Not Applicable

**Appointment Message No. 1000107**

To the Honorable Members of the Senate, One Hundredth General Assembly:

I, Bruce Rauner, Governor, am nominating and, by and with the advice and consent of the Senate, appointing the following named individual to the office enumerated below. The advice and consent of this Honorable Body is respectfully requested.

Title of Office: Member

Agency or Other Body: Employment Security Board of Review

Start Date: February 20, 2017

End Date: January 21, 2019

Name: Carolyn Holder

Residence: 9112 E. Springview Rd., Baldwin, IL 62217

Annual Compensation: \$15,000 per annum

Per diem: Not Applicable

Nominee's Senator: Senator Paul Schimpf

[February 28, 2017]

Most Recent Holder of Office: Reappointment

Superseded Appointment Message: Not Applicable

**Appointment Message No. 1000108**

To the Honorable Members of the Senate, One Hundredth General Assembly:

I, Bruce Rauner, Governor, am nominating and, by and with the advice and consent of the Senate, appointing the following named individual to the office enumerated below. The advice and consent of this Honorable Body is respectfully requested.

Title of Office: Member

Agency or Other Body: Employment Security Board of Review

Start Date: February 20, 2017

End Date: January 21, 2019

Name: Maria Perez

Residence: 2968 S. Loomis St., #3, Chicago, IL 60608

Annual Compensation: \$15,000 per annum

Per diem: Not Applicable

Nominee's Senator: Senator Antonio Muñoz

Most Recent Holder of Office: Reappointment

Superseded Appointment Message: Not Applicable

**Appointment Message No. 1000109**

To the Honorable Members of the Senate, One Hundredth General Assembly:

I, Bruce Rauner, Governor, am nominating and, by and with the advice and consent of the Senate, appointing the following named individual to the office enumerated below. The advice and consent of this Honorable Body is respectfully requested.

Title of Office: Member (Employee)

Agency or Other Body: Employment Security Board of Review

Start Date: February 20, 2017

End Date: January 21, 2019

Name: Henry Winfield

Residence: 18172 Crystal Ln., Lansing, IL 60438

Annual Compensation: \$15,000 per annum

Per diem: Not Applicable

[February 28, 2017]

Nominee's Senator: Senator Donne E. Trotter

Most Recent Holder of Office: Reappointment

Superseded Appointment Message: Not Applicable

**Appointment Message No. 1000110**

To the Honorable Members of the Senate, One Hundredth General Assembly:

I, Bruce Rauner, Governor, am nominating and, by and with the advice and consent of the Senate, appointing the following named individual to the office enumerated below. The advice and consent of this Honorable Body is respectfully requested.

Title of Office: Assistant Secretary

Agency or Other Body: Illinois Department of Human Services

Start Date: February 20, 2017

End Date: January 21, 2019

Name: Maria Bruni

Residence: 2811 Haggard Dr., Springfield, IL 62711

Annual Compensation: \$127,739 per annum

Per diem: Not Applicable

Nominee's Senator: Senator Wm. Sam McCann

Most Recent Holder of Office: Matthew Z. Hammoudeh

Superseded Appointment Message: Not Applicable

**Appointment Message No. 1000111**

To the Honorable Members of the Senate, One Hundredth General Assembly:

I, Bruce Rauner, Governor, am nominating and, by and with the advice and consent of the Senate, appointing the following named individual to the office enumerated below. The advice and consent of this Honorable Body is respectfully requested.

Title of Office: Director

Agency or Other Body: Illinois Department of Public Health

Start Date: February 20, 2017

End Date: January 21, 2019

Name: Nirav Shah

Residence: 2707 N. Lincoln Ave., Unit B, Chicago, IL 60614

Annual Compensation: \$150,228

Per diem: Not Applicable

[February 28, 2017]

Nominee's Senator: Senator John J. Cullerton

Most Recent Holder of Office: Reappointment

Superseded Appointment Message: Not Applicable

**Appointment Message No. 1000112**

To the Honorable Members of the Senate, One Hundredth General Assembly:

I, Bruce Rauner, Governor, am nominating and, by and with the advice and consent of the Senate, appointing the following named individual to the office enumerated below. The advice and consent of this Honorable Body is respectfully requested.

Title of Office: Member

Agency or Other Body: Illinois Housing Development Authority

Start Date: February 27, 2017

End Date: January 11, 2021

Name: Jeff Tinervin

Residence: 6 Inglewood Ln., Bloomington, IL 61704

Annual Compensation: Expenses

Per diem: Not Applicable

Nominee's Senator: Senator Jason A. Barickman

Most Recent Holder of Office: Melody Reynolds

Superseded Appointment Message: Not Applicable

**Appointment Message No. 1000113**

To the Honorable Members of the Senate, One Hundredth General Assembly:

I, Bruce Rauner, Governor, am nominating and, by and with the advice and consent of the Senate, appointing the following named individual to the office enumerated below. The advice and consent of this Honorable Body is respectfully requested.

Title of Office: Trustee

Agency or Other Body: Northeastern Illinois University Board of Trustees

Start Date: February 27, 2017

End Date: January 16, 2023

Name: Carlos Azcoitia

Residence: 110 Callie Ct., Morton Grove, IL 60053

Annual Compensation: Expenses

[February 28, 2017]

Per diem: Not Applicable

Nominee's Senator: Senator Ira I. Silverstein

Most Recent Holder of Office: Reappointment

Superseded Appointment Message: Not Applicable

**Appointment Message No. 1000114**

To the Honorable Members of the Senate, One Hundredth General Assembly:

I, Bruce Rauner, Governor, am nominating and, by and with the advice and consent of the Senate, appointing the following named individual to the office enumerated below. The advice and consent of this Honorable Body is respectfully requested.

Title of Office: Trustee

Agency or Other Body: Northeastern Illinois University Board of Trustees

Start Date: February 27, 2017

End Date: January 16, 2023

Name: Sherry Eagle

Residence: 505 N. McClurg Ct., Apt. 2702, Chicago, IL 60611

Annual Compensation: Expenses

Per diem: Not Applicable

Nominee's Senator: Senator Kwame Raoul

Most Recent Holder of Office: Omar Duque

Superseded Appointment Message: Not Applicable

**Appointment Message No. 1000115**

To the Honorable Members of the Senate, One Hundredth General Assembly:

I, Bruce Rauner, Governor, am nominating and, by and with the advice and consent of the Senate, appointing the following named individual to the office enumerated below. The advice and consent of this Honorable Body is respectfully requested.

Title of Office: Trustee

Agency or Other Body: Northeastern Illinois University Board of Trustees

Start Date: February 27, 2017

End Date: January 21, 2021

Name: Eduardo Garza

Residence: 8860 S. Hamilton Ave., Chicago, IL 60643

Annual Compensation: Expenses

[February 28, 2017]

Per diem: Not Applicable

Nominee's Senator: Senator Bill Cunningham

Most Recent Holder of Office: Walter Dudycz

Superseded Appointment Message: Not Applicable

**Appointment Message No. 1000116**

To the Honorable Members of the Senate, One Hundredth General Assembly:

I, Bruce Rauner, Governor, am nominating and, by and with the advice and consent of the Senate, appointing the following named individual to the office enumerated below. The advice and consent of this Honorable Body is respectfully requested.

Title of Office: Trustee

Agency or Other Body: Northeastern Illinois University Board of Trustees

Start Date: February 27, 2017

End Date: January 16, 2023

Name: Jim Palos

Residence: 1825 N. Wood St., Chicago, IL 60622

Annual Compensation: Expenses

Per diem: Not Applicable

Nominee's Senator: Senator John J. Cullerton

Most Recent Holder of Office: Darlene Ruscitti

Superseded Appointment Message: Not Applicable

**Appointment Message No. 1000117**

To the Honorable Members of the Senate, One Hundredth General Assembly:

I, Bruce Rauner, Governor, am nominating and, by and with the advice and consent of the Senate, appointing the following named individual to the office enumerated below. The advice and consent of this Honorable Body is respectfully requested.

Title of Office: Member (Business)

Agency or Other Body: Illinois Workers' Compensation Commission

Start Date: March 6, 2017

End Date: January 18, 2021

Name: Elizabeth Coppoletti

Residence: 4422 N. Seeley Ave., Chicago, IL 60625

[February 28, 2017]

Annual Compensation: \$119,840

Per diem: Not Applicable

Nominee's Senator: Senator Heather A. Steans

Most Recent Holder of Office: Mario Basurto

Superseded Appointment Message: Not Applicable

**Appointment Message No. 1000118**

To the Honorable Members of the Senate, One Hundredth General Assembly:

I, Bruce Rauner, Governor, am nominating and, by and with the advice and consent of the Senate, appointing the following named individual to the office enumerated below. The advice and consent of this Honorable Body is respectfully requested.

Title of Office: Member (Business)

Agency or Other Body: Illinois Workers' Compensation Commission

Start Date: March 6, 2017

End Date: January 18, 2021

Name: Deborah Simpson

Residence: 201 N. Tyler Rd., Apt. 124, St. Charles, IL 60174

Annual Compensation: \$119,840 per annum

Per diem: Not Applicable

Nominee's Senator: Senator Jim Oberweis

Most Recent Holder of Office: Ruth White

Superseded Appointment Message: Not Applicable

Under the rules, the foregoing Appointment Messages were referred to the Committee on Assignments.

**READING BILLS FROM THE HOUSE OF REPRESENTATIVES A FIRST TIME**

**House Bill No. 66**, sponsored by Senator Althoff, was taken up, read by title a first time and referred to the Committee on Assignments.

**House Bill No. 299**, sponsored by Senator Biss, was taken up, read by title a first time and referred to the Committee on Assignments.

**House Bill No. 305**, sponsored by Senator Barickman, was taken up, read by title a first time and referred to the Committee on Assignments.

**House Bill No. 350**, sponsored by Senator Althoff, was taken up, read by title a first time and referred to the Committee on Assignments.

[February 28, 2017]

**House Bill No. 395**, sponsored by Senator Martinez, was taken up, read by title a first time and referred to the Committee on Assignments.

**House Bill No. 534**, sponsored by Senator Althoff, was taken up, read by title a first time and referred to the Committee on Assignments.

**House Bill No. 622**, sponsored by Senator Biss, was taken up, read by title a first time and referred to the Committee on Assignments.

**House Bill No. 679**, sponsored by Senator Mulroe, was taken up, read by title a first time and referred to the Committee on Assignments.

**House Bill No. 741**, sponsored by Senator Righter, was taken up, read by title a first time and referred to the Committee on Assignments.

**House Bill No. 771**, sponsored by Senator Schimpf, was taken up, read by title a first time and referred to the Committee on Assignments.

**House Bill No. 776**, sponsored by Senator Althoff, was taken up, read by title a first time and referred to the Committee on Assignments.

**House Bill No. 817**, sponsored by Senator Nybo, was taken up, read by title a first time and referred to the Committee on Assignments.

#### MOTIONS IN WRITING

Senator T. Cullerton submitted the following Motion in Writing:

Pursuant to Senate Rule 7-15(a), having voted on the prevailing side, I move to reconsider the vote by which SB 3 passed.

s/Tom Cullerton  
Senator

2/8/17  
Date

Senator Harmon submitted the following Motion in Writing:

Pursuant to Senate Rule 7-15(a), having voted on the prevailing side, I move to reconsider the vote by which SB 8 passed.

s/Don Harmon  
Senator

2/8/17  
Date

Senator J. Cullerton submitted the following Motion in Writing:

Pursuant to Senate Rule 7-15(a), having voted on the prevailing side, I move to reconsider the vote by which SB 10 passed.

s/John Cullerton  
Senator

2/8/17  
Date

[February 28, 2017]



The foregoing Motions in Writing were filed with the Secretary and ordered placed on the Senate Calendar.

Senator Silverstein asked and obtained unanimous consent to recess for the purpose of a Democrat caucus.

Senator Althoff asked and obtained unanimous consent to recess for the purpose of a Republican caucus.

At the hour of 12:39 o'clock p.m., the Chair announced that the Senate stand at recess subject to the call of the Chair.

#### **AFTER RECESS**

At the hour of 2:08 o'clock p.m., the Senate resumed consideration of business.  
Senator Link, presiding.

#### **LEGISLATIVE MEASURES FILED**

The following Committee amendments to the Senate Bills listed below have been filed with the Secretary and referred to the Committee on Assignments:

Amendment No. 1 to Senate Bill 76  
Amendment No. 2 to Senate Bill 194  
Amendment No. 1 to Senate Bill 609  
Amendment No. 1 to Senate Bill 636  
Amendment No. 1 to Senate Bill 1282  
Amendment No. 1 to Senate Bill 1285  
Amendment No. 1 to Senate Bill 1310  
Amendment No. 1 to Senate Bill 1328  
Amendment No. 1 to Senate Bill 1424  
Amendment No. 1 to Senate Bill 1556

The following Floor amendments to the Senate Bills listed below have been filed with the Secretary and referred to the Committee on Assignments:

Amendment No. 3 to Senate Bill 3  
Amendment No. 1 to Senate Bill 5  
Amendment No. 3 to Senate Bill 6  
Amendment No. 4 to Senate Bill 6  
Amendment No. 3 to Senate Bill 7  
Amendment No. 4 to Senate Bill 7  
Amendment No. 4 to Senate Bill 8  
Amendment No. 3 to Senate Bill 10  
Amendment No. 1 to Senate Bill 16  
Amendment No. 2 to Senate Bill 16  
Amendment No. 1 to Senate Bill 822

#### **PRESENTATION OF RESOLUTION**

##### **SENATE RESOLUTION NO. 227**

Offered by Senator McConchie and all Senators:  
Mourns the death of Judith "Judy" Seibt Franklin of Chicago.

[February 28, 2017]

By unanimous consent, the foregoing resolution was referred to the Resolutions Consent Calendar.

### CONSIDERATION OF MOTIONS IN WRITING

Pursuant to Motion in Writing filed on February 8, 2017, Senator T. Cullerton moved to reconsider the vote by which SB 3 passed.

The motion prevailed.

And the bill was placed on the order of third reading.

Pursuant to Motion in Writing filed on February 8, 2017, Senator Harmon moved to reconsider the vote by which SB 8 passed.

The motion prevailed.

And the bill was placed on the order of third reading.

Pursuant to Motion in Writing filed on February 8, 2017, Senator J. Cullerton moved to reconsider the vote by which SB 10 passed.

The motion prevailed.

And the bill was placed on the order of third reading.

### REPORT FROM COMMITTEE ON ASSIGNMENTS

Senator Clayborne, Chairperson of the Committee on Assignments, during its February 28, 2017 meeting, reported that the following Legislative Measures have been approved for consideration:

- Floor Amendment No. 3 to Senate Bill 3**
- Floor Amendment No. 1 to Senate Bill 5**
- Floor Amendment No. 3 to Senate Bill 6**
- Floor Amendment No. 4 to Senate Bill 6**
- Floor Amendment No. 3 to Senate Bill 7**
- Floor Amendment No. 4 to Senate Bill 7**
- Floor Amendment No. 4 to Senate Bill 8**
- Floor Amendment No. 3 to Senate Bill 10**
- Floor Amendment No. 1 to Senate Bill 16**
- Floor Amendment No. 2 to Senate Bill 16**

The foregoing floor amendments were placed on the Secretary's Desk.

Senator Clayborne, Chairperson of the Committee on Assignments, during its February 28, 2017 meeting, reported that the following Legislative Measure has been approved for consideration:

#### **Senate Resolution 226**

The foregoing resolution was placed on the Secretary's Desk.

At the hour of 2:26 o'clock p.m., Senator Clayborne, presiding.

### SENATE BILL RECALLED

On motion of Senator T. Cullerton, **Senate Bill No. 3** was recalled from the order of third reading to the order of second reading.

Senator T. Cullerton offered the following amendment and moved its adoption:

#### **AMENDMENT NO. 3 TO SENATE BILL 3**

[February 28, 2017]

AMENDMENT NO. 3. Amend Senate Bill 3, AS AMENDED, by replacing Section 99 with the following:

"Section 99. Effective date. This Act takes effect January 1, 2018, but this Act does not take effect at all unless Senate Bills 1, 4, 5, 6, 7, 8, 9, 10, 12, 13, and 16 of the 100th General Assembly become law."

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendment No. 3 was ordered engrossed, and the bill, as amended, was ordered to a third reading.

### READING BILL OF THE SENATE A THIRD TIME

On motion of Senator T. Cullerton, **Senate Bill No. 3** having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 43; NAYS 14; Present 2.

The following voted in the affirmative:

Althoff	Cunningham	Link	Raoul
Anderson	Haine	Manar	Righter
Aquino	Harmon	Martinez	Sandoval
Bennett	Harris	McGuire	Silverstein
Bertino-Tarrant	Holmes	Morrison	Stadelman
Biss	Hunter	Mulroe	Steans
Bush	Hutchinson	Muñoz	Tracy
Castro	Jones, E.	Murphy	Trotter
Clayborne	Koehler	Nybo	Van Pelt
Collins	Landek	Oberweis	Mr. President
Cullerton, T.	Lightford	Radogno	

The following voted in the negative:

Barickman	Fowler	Rezin	Syverson
Bivins	McCann	Rooney	Weaver
Brady	McCarter	Rose	
Connelly	McConnaughay	Schimpf	

The following voted present:

Hastings  
McConchie

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

### SENATE BILL RECALLED

On motion of Senator Harmon, **Senate Bill No. 8** was recalled from the order of third reading to the order of second reading.

Senator Harmon offered the following amendment and moved its adoption:

[February 28, 2017]

**AMENDMENT NO. 4 TO SENATE BILL 8**

AMENDMENT NO. 4. Amend Senate Bill 8, AS AMENDED, by replacing Section 99 with the following:

"Section 99. Effective date. This Act takes effect July 1, 2017, but this Act does not take effect at all unless Senate Bills 1, 3, 4, 5, 6, 7, 9, 10, 12, 13, and 16 of the 100th General Assembly become law."

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendment No. 4 was ordered engrossed, and the bill, as amended, was ordered to a third reading.

**READING BILL OF THE SENATE A THIRD TIME**

On motion of Senator Harmon, **Senate Bill No. 8** having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 41; NAYS 16; Present 2.

The following voted in the affirmative:

Althoff	Haine	Martinez	Silverstein
Anderson	Harmon	McGuire	Stadelman
Aquino	Harris	Morrison	Steans
Bennett	Hunter	Mulroe	Syverson
Bertino-Tarrant	Hutchinson	Muñoz	Tracy
Biss	Jones, E.	Murphy	Trotter
Bush	Koehler	Nybo	Van Pelt
Clayborne	Landek	Oberweis	Mr. President
Collins	Lightford	Radogno	
Cullerton, T.	Link	Raoul	
Cunningham	Manar	Sandoval	

The following voted in the negative:

Barickman	Fowler	Rezin	Weaver
Bivins	Holmes	Righter	
Brady	McCann	Rooney	
Castro	McCarter	Rose	
Connelly	McConnaughay	Schimpf	

The following voted present:

Hastings  
McConchie

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

**SENATE BILLS RECALLED**

On motion of Senator J. Cullerton, **Senate Bill No. 10** was recalled from the order of third reading to the order of second reading.

[February 28, 2017]

Senator J. Cullerton offered the following amendment and moved its adoption:

**AMENDMENT NO. 3 TO SENATE BILL 10**

AMENDMENT NO. 3. Amend Senate Bill 10, AS AMENDED, by replacing Section 99 with the following:

"Section 99. Effective date. This Act takes effect upon becoming law, but this Act does not take effect at all unless Senate Bills 1, 3, 4, 5, 6, 7, 8, 9, 12, 13, and 16 of the 100th General Assembly become law."

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendment No. 3 was ordered engrossed, and the bill, as amended, was ordered to a third reading.

On motion of Senator Link, **Senate Bill No. 7** was recalled from the order of third reading to the order of second reading.

Floor Amendment No. 2 was held in the Committee on Assignments.

Senator Link offered the following amendment and moved its adoption:

**AMENDMENT NO. 3 TO SENATE BILL 7**

AMENDMENT NO. 3. Amend Senate Bill 7, on page 2, line 10, after "water-based facility", by inserting "and airport gaming locations pursuant to Section 1-67 of this Act"; and

by replacing line 21 on page 20 through line 22 on page 23 with the following:

"Section 1-45. Casino management contracts.

(a) The Casino Board shall enter into a casino management contract with a casino operator subject to a background investigation and approval by the Gaming Board and payment by the proposed casino operator of a fee of \$50,000,000, which shall be deposited into the Gaming Facilities Fee Revenue Fund. The Gaming Board shall complete its background investigation and approval of the casino operator within 6 months after the date that the proposed casino operator submits its application to the Gaming Board. If the Gaming Board does not complete its background investigation and approval within the 6-month period, then the Gaming Board shall give a written explanation to the proposed casino operator and the chief legal officer of the Authority as to why it has not reached a final determination and when it reasonably expects to make a final determination. Validity of the casino management contract is contingent upon the issuance of a casino operator license. If the Gaming Board grants a casino operator license, the Casino Board shall transmit a copy of the executed casino management contract to the Gaming Board.

(b) After (1) the Authority has been issued an owners license, (2) the Gaming Board has issued a casino operator license, and (3) the Gaming Board has approved the members of the Casino Board, the Authority may conduct gaming operations at a temporary facility, subject to the adopted rules of the Gaming Board, for no longer than 24 months after gaming operations begin. The Gaming Board may, after holding a public hearing, grant an extension so long as a permanent facility is not operational and the Authority is working in good faith to complete the permanent facility. The Gaming Board may grant additional extensions following further public hearings. Each extension may be for a period of no longer than 6 months."; and

on page 27, immediately below line 19, by inserting the following:

"Section 1-67. Limitations on gaming at Chicago airports. The Authority may conduct gaming operations in an airport under the administration or control of the Chicago Department of Aviation. Gaming operations may be conducted pursuant to this Section so long as (i) gaming operations are conducted in a secured area that is beyond the Transportation Security Administration security checkpoints and only available to airline passengers at least 21 years of age who are members of a private club, and not to the general public, (ii) gaming operations are limited to slot machines, as defined in Section 4 of the Illinois Gambling Act, and (iii) the combined number of gaming positions operating in the City at the airports and at the temporary and permanent casino facility does not exceed the maximum number of gaming positions authorized pursuant to subsection (h) of Section 7 of the Illinois Gambling Act. Gaming operations at an airport are subject to all applicable laws and rules that apply to any other gaming facility under this Act or the Illinois Gambling Act."; and

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on page 50, line 2, by replacing "Sections 5-45 and 20-10" with "Section 5-45"; and

by deleting line 21 on page 55 through line 12 on page 61; and

on page 96, by replacing lines 1 through 12 with the following:

"(b) The revenues in the Fund shall be used, subject to appropriation, by the Comptroller for the purpose of providing appropriations to the Illinois Gaming Board for the administration and enforcement of the Illinois Gambling Act and the applicable provisions of the Chicago Casino Development Authority Act, with any remaining amounts being transferred to the General Revenue Fund."; and

on page 96, line 14, by replacing "(e)" with "(a)"; and

on page 96, line 16, by replacing "(e-25)" with "(h)"; and

by replacing line 22 on page 214 through line 6 on page 215 with the following:

"(e-1) In awarding standardbred racing dates for calendar year 2018, the Board shall award at least 160 racing dates, and each organization licensee shall average at least 10 races for each racing date awarded. In awarding standardbred racing dates for calendar year 2019, the Board shall award at least 200 racing dates, and each organization licensee shall average at least 11 races for each racing date awarded. In awarding standardbred racing dates for calendar year 2020 and thereafter, the Board shall award at least 260 racing dates, and each organization licensee shall average at least 11 races for each racing date awarded unless a lesser schedule of live racing is a result of an agreement with the organization representing the largest number of standardbred owners, breeders, trainers, drivers, caretakers in the State. Standardbred racing conducted in Sangamon County shall not be considered races under this subsection (e-1)."; and

on page 217, by replacing lines 16 through 26 with the following:

"(e-4) Notwithstanding the provisions of Section 7.7 of the Illinois Gambling Act or any provision of this Act other than subsections (e-3) and (e-4.5), for each calendar year for which an electronic gaming licensee requests thoroughbred racing dates which results in a number of live races under its organization license that is less than the total number of live races which it conducted in 2016 at its race track facility, the electronic gaming licensee may not conduct electronic gaming for the calendar year of such requested live races.

(e-4.1) Notwithstanding the provisions of Section 7.7 of the Illinois Gambling Act or any provision of this Act other than subsections (e-3) and (e-4.5), for each calendar year for which an organization licensee requests racing dates for standardbred racing which results in a number of live races that is less than the total number of live races required in subsection (e-1), the electronic gaming licensee may not conduct electronic gaming for the calendar year of such requested live races."; and

on page 253, line 3, by replacing "or (iii)" with "~~or~~ (iii) at a track awarded standardbred racing dates in 2018 and thereafter; or (iv)"; and

on page 253, line 26, after the period, by inserting "An eligible race track conducting standardbred racing may have up to 9 inter-track wagering locations."; and

on page 309, by deleting lines 7 through 15; and

on page 315, by replacing lines 21 through 25 with the following:

"(b) If the organization licensee is operating electronic gaming, then, for the 5-year period beginning on the January 1 of the calendar year immediately following the calendar year during which an organization licensee begins conducting electronic gaming operations pursuant to an electronic gaming license issued under the Illinois Gambling Act, the organization licensee shall make capital expenditures, in an amount equal to no less than 50% of the tax credit under this Section, to the improvement and maintenance of the backstretch, including, but not limited to, backstretch barns, dormitories, and services for backstretch workers. Those capital expenditures must be in addition to, and not in lieu of, the capital expenditures made for backstretch improvements in calendar year 2015, as reported to the Board in the organization licensee's application for racing dates and as certified by the Board. The organization licensee is required

to annually submit the list and amounts of these capital expenditures to the Board by January 30th of the year following the expenditure.

(c) If the organization licensee is operating electronic gaming in accordance with paragraph (b), then, after the 5-year period beginning on January 1 of the calendar year immediately following the calendar year during which an organization licensee begins conducting electronic gaming operations pursuant to an electronic gaming license issued under the Illinois Gambling Act, the organization license is ineligible to receive a tax credit under this Section.; and

on page 322, lines 20 and 21, by replacing "controlled by the licensee's race track" with "of which the electronic gaming licensee has operating control"; and

on page 326, line 23, by replacing "and 7.13" with "7.13, and 25"; and

on page 333, immediately below line 18, by inserting the following:

"Wide area progressive system" means a method of linking progressive slot machines or electronic gaming machines across telecommunication lines as part of a network connecting participating facilities. Wide area progressive systems offer a common progressive jackpot at all participating locations and the award of the jackpot is at random."; and

on page 367, line 2, after the period, by inserting "In order to expedite the application process, the Board may establish rules allowing applicants to acquire criminal background checks and financial integrity reviews as part of the initial application process from a list of vendors approved by the Board."; and

on page 370, line 15, after "casino", by inserting "or in an airport"; and

on page 374, line 24, by replacing "6 months" with "120 days"; and

on page 379, line 8, by replacing "paragraphs (2) through (5)" with "subsection (e) or paragraph (2), (3), (4), or (5)"; and

on page 379, line 20, after the period, by inserting "The fees under this subsection (h) shall be deposited into the Gaming Facilities Fee Revenue Fund."; and

on page 380, lines 14 and 16, by replacing "per gaming position" each time it appears with "per additional gaming position"; and

on page 382, by replacing lines 5 through 7 with "2,000 positions total."; and

on page 385, by replacing lines 15 through 19 with the following:

"7.4, or (iii) it will issue an owners license pursuant to an open and competitive bidding process, as set forth in Section 7.12, the open and competitive"; and

on page 391, by replacing lines 22 and 23 with "required under subsection (k), (v) conduct live racing in accordance with subsections (e-1), (e-2), and (e-3) of Section 20 of the Illinois Horse Racing Act of 1975 or for a licensee that is only"; and

on page 392, lines 5 and 6, by deleting "that had an open backstretch in 2009"; and

on page 392, by replacing lines 14 through 18 with "of this Act that apply to owners licensees."; and

on page 394, lines 4 through 6, by deleting "whose electronic gaming license originates with an organization licensee that conducted live racing in calendar year 2016"; and

on page 394, lines 8 through 10, by deleting "whose electronic gaming license originates with an organization licensee that conducted live racing in calendar year 2016"; and

on page 397, immediately below line 16, by inserting the following:

"(i-5) Under no circumstances shall an electronic gaming licensee conduct electronic gaming at any State or county fair."; and

on page 429, immediately below line 6, by inserting the following:

"(a-4.5) Beginning on the first day of the calendar month immediately following 24 months after the effective date of this amendatory Act of the 100th General Assembly and ending on the date gambling operations, commence at a permanent facility with respect to the owners license authorized under paragraph (1) of subsection (e-5) of Section 7 of this Act, a privilege tax is imposed on persons engaged in the business of conducting riverboat or casino gambling or electronic gaming operations, other than licensed managers conducting riverboat gambling operations on behalf of the State, based on the adjusted gross receipts received by such licensee from the gambling games authorized under this Act. The privilege tax shall be the average of the privilege tax, in terms of dollar amounts, calculated pursuant to subsection (a-4) and subsection (a-6)."; and

on page 429, by replacing lines 7 through 10 with the following:

"(a-5) Beginning on January 1 following the opening of the permanent casino at which gambling operations are conducted pursuant to the Chicago Casino Development Authority Act, a privilege tax is imposed on persons engaged in"; and

on page 431, immediately below line 26, by inserting the following:

"(a-7) Beginning in the initial adjustment year and through the final adjustment year, if the total obligation imposed pursuant to either subsection (a-5) or (a-6) will result in an owners licensee receiving less after-tax adjusted gross receipts than it received in calendar year 2016, then the total amount of privilege taxes that the owners licensee is required to pay for that calendar year shall be reduced to the extent necessary so that the after-tax adjusted gross receipts in that calendar year equals the after-tax adjusted gross receipts in calendar year 2016, but the privilege tax reduction shall not exceed the annual adjustment cap. If pursuant to this subsection (a-7), the total obligation imposed pursuant to either subsection (a-5) or (a-6) shall be reduced, then the owners licensee shall not receive a refund from the State at the end of the subject calendar year but instead shall be able to apply that amount as a credit against any payments it owes to the State in the following calendar year to satisfy its total obligation under either subsection (a-5) or (a-6). The credit for the final adjustment year shall occur in the calendar year following the final adjustment year.

If an owners licensee that conducted gambling operations prior to January 1, 2017 expands its riverboat or casino, including, but not limited to, with respect to its gaming floor, additional non-gaming amenities such as restaurants, bars, and hotels and other additional facilities, and incurs construction and other costs related to such expansion from the effective date of this amendatory Act of the 100th General Assembly until the 5th anniversary of the effective date of this amendatory Act of the 100th General Assembly, then for each \$15,000,000 spent for any such construction or other costs related to expansion paid by the owners licensee, the final adjustment year shall be extended by one year and the annual adjustment cap shall increase by 0.2% of adjusted gross receipts during each calendar year until and including the final adjustment year. No further modifications to the final adjustment year or annual adjustment cap shall be made after \$75,000,000 is incurred in construction or other costs related to expansion so that the final adjustment year shall not extend beyond the 9th calendar year after the initial adjustment year, not including the initial adjustment year, and the annual adjustment cap shall not exceed 4% of adjusted gross receipts in a particular calendar year. Construction and other costs related to expansion shall include all project related costs, including, but not limited to, all hard and soft costs, financing costs, on or off-site ground, road or utility work, cost of gaming equipment and all other personal property, initial fees assessed for each incremental gaming position, and the cost of incremental land acquired for such expansion. Soft costs shall include, but not be limited to, legal fees, architect, engineering and design costs, other consultant costs, insurance cost, permitting costs, and pre-opening costs related to the expansion, including, but not limited to, any of the following: marketing, real estate taxes, personnel, training, travel and out-of-pocket expenses, supply, inventory, and other costs, and any other project related soft costs.

Notwithstanding any other provision of this subsection (a-7), this subsection (a-7) does not apply to an owners licensee unless such owners licensee spends at least \$15,000,000 on construction and other costs related to its expansion, excluding the initial fees assessed for each incremental gaming position.

This subsection (a-7) does not apply to owners licensees authorized pursuant to subsection (e-5) of Section 7 of this Act.

For purposes of this subsection (a-7):

"Initial adjustment year" means the year commencing on January 1 of the calendar year immediately following the earlier of the following:

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(1) the commencement of gambling operations, either in a temporary or permanent facility, with respect to the owners license authorized under paragraph (1) of subsection (e-5) of Section 7 of this Act; or

(2) 36 months after the effective date of this amendatory Act of the 100th General Assembly, provided the initial adjustment year shall not commence earlier than 24 months after the effective date of this amendatory Act of the 100th General Assembly.

"Final adjustment year" means the 4th calendar year after the initial adjustment year, not including the initial adjustment year, and as may be extended further as described in this subsection (a-7).

"After-tax adjusted gross receipts" means, for calendar year 2016, the adjusted gross receipts less privilege taxes paid to the State and for subsequent calendar years, the adjusted gross receipts less privilege taxes paid to the State, then divided by the owners licensee's average number of gaming positions operating in that calendar year and then multiplied by the owners licensee's average number of gaming positions operating in calendar year 2016.

"Annual adjustment cap" means 3% of adjusted gross receipts in a particular calendar year, and as may be increased further as otherwise described in this subsection (a-7)."; and

on page 453, immediately below line 2, by inserting the following:

"(230 ILCS 10/25 new)

Sec. 25. Wide area progressive systems. The operation of a wide area progressive system is permitted in gambling operations authorized under this Act subject to the following conditions:

(1) The method of communication over the wide area progressive system must consist of dedicated on-line communication lines or the equivalent, as determined by the Administrator, or wireless communication, which may be subject to certain restrictions imposed by the Administrator.

(2) All communication between each facility location and the central system site must be encrypted.

(3) The central system site must be located within the State of Illinois and be equipped with a non-interruptible power supply and the central computer must be capable of on-line data redundancy should hard disk peripherals fail during operation. The office containing the central computer shall be equipped with a surveillance system that has been approved by the Administrator. The wide area progressive system provider shall be required to keep and maintain an entry and exit log for the office containing the central computer. The wide area progressive system provider shall provide access to the office containing the central computer to the Administrator and shall make available to the Administrator all books, records, and information required by the Administrator in fulfilling his or her regulatory purpose.

(4) A wide area progressive system provider must suspend play on the wide area progressive system if a communication failure of the system cannot be corrected within 24 consecutive hours.

(5) Approval by the Board of any wide area progressive system shall occur only after the Administrator has reviewed the wide area progressive system software and hardware and is satisfied that the operation of the system meets accepted industry standards for wide area progressive system products, as well as any other requirements that the Administrator may impose to ensure the integrity, security, and legal operation of the wide area progressive system.

(6) A meter that shows the amount of the common progressive jackpot must be conspicuously displayed at or near the machines to which the jackpot applies. The common progressive jackpot meter need not precisely show the actual moneys in the common progressive jackpot award at each instant. Nothing shall prohibit the use of an odometer or other paced updating progressive display to show updates to the jackpot. When a paced updating display is used and the remote site is communicating to the central computer, the common progressive jackpot meter must display the winning value after the jackpot broadcast is received from the central system. If a common progressive jackpot is recognized in the middle of a systemwide poll cycle, the common progressive jackpot display may contain a value less than the aggregated amount calculated by the central system. The fund values from the remaining portion of the poll cycle shall be received by the central system, but not the local site, in which case the common progressive jackpot amount paid shall always be the higher of the 2 reporting amounts.

(7) When a common progressive jackpot is won, the wide area progressive system provider shall have the opportunity to inspect the machine, storage media, the error events received by the central system, and any other data which could reasonably be used to ascertain the validity of the jackpot.

(A) The central system shall produce reports that clearly demonstrate the method of arriving at the payoff amount. This shall include the funds contributed beginning with the polling cycle immediately following the previous jackpot and all funds contributed up to and including the polling cycle that includes the jackpot signal. Funds contributed to and registered by the system before the jackpot message is received shall be deemed to have been contributed to the progressive amount prior to the current jackpot. Funds contributed to the system subsequent to the jackpot message's being received, as well as funds

contributed to the system before the jackpot message is received by the system but registered after the jackpot message is received at the system, shall be deemed to have been contributed to the progressive amount of the next jackpot.

(B) The common progressive jackpot may be disbursed in periodic payments as long as each machine clearly displays the fact that the jackpot shall be paid in such periodic payments. In addition, the number of periodic payments and time between payments must be clearly displayed on the slot machine in a non-misleading manner.

(C) A wide area progressive system provider must, upon request, supply to the Board reports that support and verify the economic activity of the system.

(8) In calculating adjusted gross revenue, a facility may deduct its pro rata share of the present value of any common progressive jackpots awarded. The deduction shall be listed on the detailed accounting records provided by the wide area progressive system provider. A facility's pro rata share is based on the number of funds in from that facility's machines on the wide area progressive system, compared to the total amount of funds in on the whole system for the time period between jackpots awarded.

(9) In the event a facility ceases operations and a progressive jackpot is awarded subsequent to the last day of the final month of operation, the facility may not file an amended wagering tax submission or make a claim for a wagering tax refund based on its contributions to that particular progressive prize pool.

(10) A facility, or an entity that is licensed as a manufacturer or distributor, shall provide the wide area progressive system in accordance with a written agreement that shall be reviewed and approved by the Board prior to offering the jackpots.

(11) The payment of any common progressive jackpot offered on a wide area progressive system shall be administered by the wide area progressive system provider, and the provider shall have primary liability for payment of any common progressive jackpot the person administers.

(12) A wide area progressive system provider shall comply with the following:

(A) A reserve shall be established and maintained by the provider of the wide area progressive system in an amount of not less than the sum of the following amounts:

(i) the present value of the aggregate remaining balances owed on all jackpots previously won by patrons on the wide area progressive system;

(ii) the present value of the amount currently reflected on the jackpot meters of the wide area progressive system; and

(iii) the present value of one additional reset of the wide area progressive system.

(B) The reserve shall continue to be maintained until all payments owed to winners of the common progressive jackpots have been made.

(C) For common progressive jackpots disbursed in periodic payments, any qualified investment shall be purchased within 90 days following notice of the win of the common progressive jackpot, and a copy of such qualified investment shall be provided to the Board within 30 days of purchase. Any qualified investment shall have a surrender value at maturity and shall have a maturity date prior to the date the periodic jackpot payment is required to be made.

(D) The person authorized to provide the wide area progressive system shall not be permitted to sell, trade, or otherwise dispose of any qualified investments prior to their maturity unless approval to do so is first obtained from the Board.

(E) Upon becoming aware of an event of noncompliance with the terms of the reserve requirement mandated by subparagraph (A) in this paragraph (12), the wide area progressive system provider must immediately notify the Board of such event. An event of noncompliance includes a non-payment of a jackpot periodic payment or a circumstance which may cause the wide area progressive system provider to be unable to fulfill, or which may otherwise impair the person's ability to satisfy, the person's jackpot payment obligations.

(F) On a quarterly basis, the wide area progressive system provider must deliver to the Board a calculation of system reserves required under subparagraph (A) in this paragraph (12). The calculation shall come with a certification of financial compliance signed by a duly authorized financial officer of the wide area progressive system provider, on a form prescribed by the Board, validating the calculation.

(13) For common progressive jackpots disbursed in periodic payments, subsequent to the date of the win, a winner may be offered the option to receive, in lieu of periodic payments, a discounted single cash payment in the form of a qualified prize option, as that term is defined in Section 451(h) of the Internal Revenue Code of 1986. The wide area progressive system provider shall calculate the single cash payment based on the discount rate. Until the new discount rate becomes effective, the discount rate selected by the wide area progressive system provider shall be used to calculate the single cash payment for all qualified prizes that occur subsequent to the date of the selected discount rate."; and

on page 453, line 4, after "5,", by inserting "20,"; and

on page 453, line 4, after "80", by inserting "and by adding Section 90"; and

on page 457, immediately below line 5, by inserting the following:

"(230 ILCS 40/20)

Sec. 20. Direct dispensing of receipt tickets only. A video gaming terminal may not directly dispense coins, cash, tokens, or any other article of exchange or value except for receipt tickets. Tickets shall be dispensed by pressing the ticket dispensing button on the video gaming terminal at the end of one's turn or play. The ticket shall indicate the total amount of credits and the cash award, the time of day in a 24-hour format showing hours and minutes, the date, the terminal serial number, the sequential number of the ticket, and an encrypted validation number from which the validity of the prize may be determined. The player shall turn in this ticket to the appropriate person at the licensed establishment, licensed truck stop establishment, licensed fraternal establishment, or licensed veterans establishment to receive the cash award. The cost of the credit shall be one cent, 5 cents, 10 cents, or 25 cents, and the maximum wager played per hand shall not exceed ~~\$4~~ \$2. No cash award for the maximum wager on any individual hand shall exceed \$1,199, except in the case of a wide area progressive system, as defined in the Illinois Gambling Act, which shall have no limits for cash awards \$500. (Source: P.A. 96-34, eff. 7-13-09; 96-1410, eff. 7-30-10.); and

on page 468, immediately below line 25, by inserting the following:

"(230 ILCS 40/90 new)

Sec. 90. Wide area progressive systems. The operation of a wide area progressive system, as defined in the Illinois Gambling Act, is permitted, subject to the provisions of the Illinois Gambling Act, and the following conditions:

(1) Licensed terminal operators and manufacturer or supplier licensees may operate one or more wide area progressive systems in licensed establishments, licensed truck stop establishments, licensed veterans establishments, and licensed fraternal establishments. A designated portion of a player's wager may be allocated to the jackpot. The jackpot may be awarded to a player on any of the video gaming terminals that are linked to the wide area progressive system.

(2) A wide area progressive system shall at all times be installed and operated in accordance with relevant requirements of this Act and technical standards of wide area progressive systems.

(3) A wide area progressive system shall be operated and administered by participating licensees in accordance with the terms and conditions of a written approved policy, which must be submitted in writing and approved by the Board prior to implementation and must comply with this Act and technical standards of wide area progressive systems.

(4) Approved policies must address:

(A) responsibility for the funding and payment of all jackpots, fees, and taxes associated with the operation of the wide area progressive system;

(B) control and operation of the computer monitoring room required under paragraph (5); and

(C) other requirements in the technical standards on wide area progressive systems.

(5) A wide area progressive system shall be controlled and operated from a computer monitoring room. The computer monitoring room must:

(A) be under the sole possession and control of, and maintained and operated by, employees of the licensee designated in the approved policy for that system; the employees of the licensee may be required to obtain a terminal handler license if the Board determines, after a review of the work being performed, the employees require a license or permit for the protection of the integrity of gaming;

(B) have its monitoring equipment subjected to surveillance coverage either by the surveillance system of a licensee or by a dedicated surveillance system maintained by the terminal operator;

(C) be accessible through a locked door; the door must be alarmed in a manner that audibly signals the surveillance monitoring room for the surveillance system elected under subparagraph (B) of this paragraph (5); and

(D) have a computer monitoring room entry log.

This Section shall not be construed to impact the maximum wager as set forth in this Act."

The motion prevailed and the amendment was adopted and ordered printed.

Senator Link offered the following amendment and moved its adoption:

#### AMENDMENT NO. 4 TO SENATE BILL 7

[February 28, 2017]

AMENDMENT NO. 4. Amend Senate Bill 7, AS AMENDED, by replacing Section 99-99 with the following:

"Section 99-99. Effective date. This Act takes effect upon becoming law, but this Act does not take effect at all unless Senate Bills 1, 3, 4, 5, 6, 8, 9, 10, 12, 13, and 16 of the 100th General Assembly become law."

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendments numbered 3 and 4 were ordered engrossed, and the bill, as amended, was ordered to a third reading.

### READING BILL OF THE SENATE A THIRD TIME

On motion of Senator Link, **Senate Bill No. 7** having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 31; NAYS 26.

The following voted in the affirmative:

Aquino	Harris	Martinez	Stadelman
Bennett	Hunter	Morrison	Steans
Bush	Hutchinson	Mulroe	Syverson
Clayborne	Jones, E.	Muñoz	Tracy
Cunningham	Koehler	Radogno	Trotter
Fowler	Landek	Raoul	Van Pelt
Haine	Lightford	Sandoval	Mr. President
Harmon	Link	Silverstein	

The following voted in the negative:

Althoff	Castro	McConchie	Righter
Anderson	Collins	McConnaughay	Rooney
Barickman	Connolly	McGuire	Rose
Bertino-Tarrant	Cullerton, T.	Murphy	Schimpf
Biss	Holmes	Nybo	Weaver
Bivins	McCann	Oberweis	
Brady	McCarter	Rezin	

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

Senator Hastings asked and obtained unanimous consent for the Journal to reflect his intention to have voted present on **Senate Bill No. 7**.

### SENATE BILL RECALLED

On motion of Senator J. Cullerton, **Senate Bill No. 16** was recalled from the order of third reading to the order of second reading.

Senator J. Cullerton offered the following amendment and moved its adoption:

### AMENDMENT NO. 1 TO SENATE BILL 16

[February 28, 2017]

AMENDMENT NO. 1. Amend Senate Bill 16 by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Public Labor Relations Act is amended by changing Sections 10 and 15 and by adding Section 7.6 as follows:

(5 ILCS 315/7.6 new)

Sec. 7.6. No collective bargaining or interest arbitration regarding certain changes to the Illinois Pension Code.

(a) Notwithstanding any other provision of this Act, employers shall not be required to bargain over matters affected by the changes, the impact of the changes, and the implementation of the changes to Article 14, 15, 16, or 17 of the Illinois Pension Code made by the addition of Section 14-106.5, 15-132.9, 16-122.9, or 17-115.5 of the Illinois Pension Code, which are deemed to be prohibited subjects of bargaining. Notwithstanding any provision of this Act, the changes, impact of the changes, or implementation of the changes to Article 14, 15, 16, or 17 of the Illinois Pension Code made by the addition of Section 14-106.5, 15-132.9, 16-122.9, or 17-115.5 of the Illinois Pension Code shall not be subject to interest arbitration or any award issued pursuant to interest arbitration. The provisions of this Section shall not apply to an employment contract or collective bargaining agreement that is in effect on the effective date of this amendatory Act of the 100th General Assembly. However, any such contract or agreement that is modified, amended, renewed, or superseded after the effective date of this amendatory Act of the 100th General Assembly shall be subject to the provisions of this Section. Each employer with active employees participating in a retirement system or pension fund established under Article 14, 15, 16, or 17 of the Illinois Pension Code shall comply with and be subject to the provisions of this amendatory Act of the 100th General Assembly. The provisions of this Section shall not apply to the ability of any employer and employee representative to bargain collectively with regard to the pick up of employee contributions pursuant to Section 14-133.1, 15-157.1, 16-152.1, 17-130.1, or 17-130.2 of the Illinois Pension Code.

(b) Subject to and except for the matters set forth in subsection (a) of this Section that are deemed prohibited subjects of bargaining, nothing in this Section shall be construed as otherwise limiting any of the obligations and requirements applicable to employers under any of the provisions of this Act, including, but not limited to, the requirement to bargain collectively with regard to policy matters directly affecting wages, hours, and terms and conditions of employment as well as the impact thereon upon request by employee representatives. Subject to and except for the matters set forth in subsection (a) of this Section that are deemed prohibited subjects of bargaining, nothing in this Section shall be construed as otherwise limiting any of the rights of employees or employee representatives under the provisions of this Act.

(c) In case of any conflict between this Section and any other provisions of this Act or any other law, the provisions of this Section shall control.

(5 ILCS 315/10) (from Ch. 48, par. 1610)

Sec. 10. Unfair labor practices.

(a) It shall be an unfair labor practice for an employer or its agents:

(1) to interfere with, restrain or coerce public employees in the exercise of the rights guaranteed in this Act or to dominate or interfere with the formation, existence or administration of any labor organization or contribute financial or other support to it; provided, an employer shall not be prohibited from permitting employees to confer with him during working hours without loss of time or pay;

(2) to discriminate in regard to hire or tenure of employment or any term or condition of employment in order to encourage or discourage membership in or other support for any labor organization. Nothing in this Act or any other law precludes a public employer from making an agreement with a labor organization to require as a condition of employment the payment of a fair share under paragraph (e) of Section 6;

(3) to discharge or otherwise discriminate against a public employee because he has signed or filed an affidavit, petition or charge or provided any information or testimony under this Act;

(4) subject to and except as provided in Section 7.6, to refuse to bargain collectively in good faith with a labor organization which is

the exclusive representative of public employees in an appropriate unit, including, but not limited to, the discussing of grievances with the exclusive representative; however, no actions of the employer taken to implement or otherwise comply with the provisions of subsection (a) of Section 7.6 shall constitute or give rise to an unfair labor practice under this Act;

(5) to violate any of the rules and regulations established by the Board with jurisdiction over them relating to the conduct of representation elections or the conduct affecting the representation elections;

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(6) to expend or cause the expenditure of public funds to any external agent, individual, firm, agency, partnership or association in any attempt to influence the outcome of representational elections held pursuant to Section 9 of this Act; provided, that nothing in this subsection shall be construed to limit an employer's right to internally communicate with its employees as provided in subsection (c) of this Section, to be represented on any matter pertaining to unit determinations, unfair labor practice charges or pre-election conferences in any formal or informal proceeding before the Board, or to seek or obtain advice from legal counsel. Nothing in this paragraph shall be construed to prohibit an employer from expending or causing the expenditure of public funds on, or seeking or obtaining services or advice from, any organization, group, or association established by and including public or educational employers, whether covered by this Act, the Illinois Educational Labor Relations Act or the public employment labor relations law of any other state or the federal government, provided that such services or advice are generally available to the membership of the organization, group or association, and are not offered solely in an attempt to influence the outcome of a particular representational election; or

(7) to refuse to reduce a collective bargaining agreement to writing or to refuse to sign such agreement.

(b) It shall be an unfair labor practice for a labor organization or its agents:

(1) to restrain or coerce public employees in the exercise of the rights guaranteed in this Act, provided, (i) that this paragraph shall not impair the right of a labor organization to prescribe its own rules with respect to the acquisition or retention of membership therein or the determination of fair share payments and (ii) that a labor organization or its agents shall commit an unfair labor practice under this paragraph in duty of fair representation cases only by intentional misconduct in representing employees under this Act;

(2) to restrain or coerce a public employer in the selection of his representatives for the purposes of collective bargaining or the settlement of grievances; or

(3) to cause, or attempt to cause, an employer to discriminate against an employee in violation of subsection (a)(2);

(4) to refuse to bargain collectively in good faith with a public employer, if it has been designated in accordance with the provisions of this Act as the exclusive representative of public employees in an appropriate unit;

(5) to violate any of the rules and regulations established by the boards with jurisdiction over them relating to the conduct of representation elections or the conduct affecting the representation elections;

(6) to discriminate against any employee because he has signed or filed an affidavit, petition or charge or provided any information or testimony under this Act;

(7) to picket or cause to be picketed, or threaten to picket or cause to be picketed, any public employer where an object thereof is forcing or requiring an employer to recognize or bargain with a labor organization of the representative of its employees, or forcing or requiring the employees of an employer to accept or select such labor organization as their collective bargaining representative, unless such labor organization is currently certified as the representative of such employees:

(A) where the employer has lawfully recognized in accordance with this Act any labor organization and a question concerning representation may not appropriately be raised under Section 9 of this Act;

(B) where within the preceding 12 months a valid election under Section 9 of this Act has been conducted; or

(C) where such picketing has been conducted without a petition under Section 9 being filed within a reasonable period of time not to exceed 30 days from the commencement of such picketing; provided that when such a petition has been filed the Board shall forthwith, without regard to the provisions of subsection (a) of Section 9 or the absence of a showing of a substantial interest on the part of the labor organization, direct an election in such unit as the Board finds to be appropriate and shall certify the results thereof; provided further, that nothing in this subparagraph shall be construed to prohibit any picketing or other publicity for the purpose of truthfully advising the public that an employer does not employ members of, or have a contract with, a labor organization unless an effect of such picketing is to induce any individual employed by any other person in the course of his employment, not to pick up, deliver, or transport any goods or not to perform any services; or

(8) to refuse to reduce a collective bargaining agreement to writing or to refuse to sign such agreement.

(c) The expressing of any views, argument, or opinion or the dissemination thereof, whether in written, printed, graphic, or visual form, shall not constitute or be evidence of an unfair labor practice under any of the provisions of this Act, if such expression contains no threat of reprisal or force or promise of benefit. (Source: P.A. 86-412; 87-736.)

(5 ILCS 315/15) (from Ch. 48, par. 1615)

(Text of Section WITHOUT the changes made by P.A. 98-599, which has been held unconstitutional) Sec. 15. Act Takes Precedence.

(a) In case of any conflict between the provisions of this Act and any other law (other than Section 5 of the State Employees Group Insurance Act of 1971 and other than the changes made to the Illinois Pension Code by this amendatory Act of the 96th General Assembly), executive order or administrative regulation relating to wages, hours and conditions of employment and employment relations, the provisions of this Act or any collective bargaining agreement negotiated thereunder shall prevail and control. Nothing in this Act shall be construed to replace or diminish the rights of employees established by Sections 28 and 28a of the Metropolitan Transit Authority Act, Sections 2.15 through 2.19 of the Regional Transportation Authority Act. The provisions of this Act are subject to Section 5 of the State Employees Group Insurance Act of 1971. Nothing in this Act shall be construed to replace the necessity of complaints against a sworn peace officer, as defined in Section 2(a) of the Uniform Peace Officer Disciplinary Act, from having a complaint supported by a sworn affidavit.

(b) Except as provided in subsection (a) above, any collective bargaining contract between a public employer and a labor organization executed pursuant to this Act shall supersede any contrary statutes, charters, ordinances, rules or regulations relating to wages, hours and conditions of employment and employment relations adopted by the public employer or its agents. Any collective bargaining agreement entered into prior to the effective date of this Act shall remain in full force during its duration.

(c) It is the public policy of this State, pursuant to paragraphs (h) and (i) of Section 6 of Article VII of the Illinois Constitution, that the provisions of this Act are the exclusive exercise by the State of powers and functions which might otherwise be exercised by home rule units. Such powers and functions may not be exercised concurrently, either directly or indirectly, by any unit of local government, including any home rule unit, except as otherwise authorized by this Act.

(d) Notwithstanding any other provision of law, no collective bargaining agreement entered into, renewed, or extended after the effective date of this amendatory Act of the 100th General Assembly or any arbitration award issued under such collective bargaining agreement may violate or conflict with the changes made by this amendatory Act of the 100th General Assembly.

(Source: P.A. 95-331, eff. 8-21-07; 96-889, eff. 1-1-11.)

Section 10. The State Employees Group Insurance Act of 1971 is amended by changing Sections 3 and 10 as follows:

(5 ILCS 375/3) (from Ch. 127, par. 523)

Sec. 3. Definitions. Unless the context otherwise requires, the following words and phrases as used in this Act shall have the following meanings. The Department may define these and other words and phrases separately for the purpose of implementing specific programs providing benefits under this Act.

(a) "Administrative service organization" means any person, firm or corporation experienced in the handling of claims which is fully qualified, financially sound and capable of meeting the service requirements of a contract of administration executed with the Department.

(b) "Annuitant" means (1) an employee who retires, or has retired, on or after January 1, 1966 on an immediate annuity under the provisions of Articles 2, 14 (including an employee who has elected to receive an alternative retirement cancellation payment under Section 14-108.5 of the Illinois Pension Code in lieu of an annuity or who meets the criteria for retirement, but in lieu of receiving an annuity under that Article has elected to receive an accelerated pension benefit payment under Section 14-147.5 of that Article), 15 (including an employee who has retired under the optional retirement program established under Section 15-158.2 or who meets the criteria for retirement but in lieu of receiving an annuity under that Article has elected to receive an accelerated pension benefit payment under Section 15-185.5 of the Article), paragraphs (2), (3), or (5) of Section 16-106 (including an employee who meets the criteria for retirement, but in lieu of receiving an annuity under that Article has elected to receive an accelerated pension benefit payment under Section 16-190.5 of the Illinois Pension Code), or Article 18 of the Illinois Pension Code; (2) any person who was receiving group insurance coverage under this Act as of March 31, 1978 by reason of his status as an annuitant, even though the annuity in relation to which such coverage was provided is a proportional annuity based on less than the minimum period of service required for a retirement annuity in the system involved; (3) any person not otherwise covered by this Act who has retired as a participating member under Article 2 of the Illinois Pension Code but is ineligible for the retirement

annuity under Section 2-119 of the Illinois Pension Code; (4) the spouse of any person who is receiving a retirement annuity under Article 18 of the Illinois Pension Code and who is covered under a group health insurance program sponsored by a governmental employer other than the State of Illinois and who has irrevocably elected to waive his or her coverage under this Act and to have his or her spouse considered as the "annuitant" under this Act and not as a "dependent"; or (5) an employee who retires, or has retired, from a qualified position, as determined according to rules promulgated by the Director, under a qualified local government, a qualified rehabilitation facility, a qualified domestic violence shelter or service, or a qualified child advocacy center. (For definition of "retired employee", see (p) post).

(b-5) (Blank).

(b-6) (Blank).

(b-7) (Blank).

(c) "Carrier" means (1) an insurance company, a corporation organized under the Limited Health Service Organization Act or the Voluntary Health Services Plan Act, a partnership, or other nongovernmental organization, which is authorized to do group life or group health insurance business in Illinois, or (2) the State of Illinois as a self-insurer.

(d) "Compensation" means salary or wages payable on a regular payroll by the State Treasurer on a warrant of the State Comptroller out of any State, trust or federal fund, or by the Governor of the State through a disbursing officer of the State out of a trust or out of federal funds, or by any Department out of State, trust, federal or other funds held by the State Treasurer or the Department, to any person for personal services currently performed, and ordinary or accidental disability benefits under Articles 2, 14, 15 (including ordinary or accidental disability benefits under the optional retirement program established under Section 15-158.2), paragraphs (2), (3), or (5) of Section 16-106, or Article 18 of the Illinois Pension Code, for disability incurred after January 1, 1966, or benefits payable under the Workers' Compensation or Occupational Diseases Act or benefits payable under a sick pay plan established in accordance with Section 36 of the State Finance Act. "Compensation" also means salary or wages paid to an employee of any qualified local government, qualified rehabilitation facility, qualified domestic violence shelter or service, or qualified child advocacy center.

(e) "Commission" means the State Employees Group Insurance Advisory Commission authorized by this Act. Commencing July 1, 1984, "Commission" as used in this Act means the Commission on Government Forecasting and Accountability as established by the Legislative Commission Reorganization Act of 1984.

(f) "Contributory", when referred to as contributory coverage, shall mean optional coverages or benefits elected by the member toward the cost of which such member makes contribution, or which are funded in whole or in part through the acceptance of a reduction in earnings or the foregoing of an increase in earnings by an employee, as distinguished from noncontributory coverage or benefits which are paid entirely by the State of Illinois without reduction of the member's salary.

(g) "Department" means any department, institution, board, commission, officer, court or any agency of the State government receiving appropriations and having power to certify payrolls to the Comptroller authorizing payments of salary and wages against such appropriations as are made by the General Assembly from any State fund, or against trust funds held by the State Treasurer and includes boards of trustees of the retirement systems created by Articles 2, 14, 15, 16 and 18 of the Illinois Pension Code. "Department" also includes the Illinois Comprehensive Health Insurance Board, the Board of Examiners established under the Illinois Public Accounting Act, and the Illinois Finance Authority.

(h) "Dependent", when the term is used in the context of the health and life plan, means a member's spouse and any child (1) from birth to age 26 including an adopted child, a child who lives with the member from the time of the filing of a petition for adoption until entry of an order of adoption, a stepchild or adjudicated child, or a child who lives with the member if such member is a court appointed guardian of the child or (2) age 19 or over who has a mental or physical disability from a cause originating prior to the age of 19 (age 26 if enrolled as an adult child dependent). For the health plan only, the term "dependent" also includes (1) any person enrolled prior to the effective date of this Section who is dependent upon the member to the extent that the member may claim such person as a dependent for income tax deduction purposes and (2) any person who has received after June 30, 2000 an organ transplant and who is financially dependent upon the member and eligible to be claimed as a dependent for income tax purposes. A member requesting to cover any dependent must provide documentation as requested by the Department of Central Management Services and file with the Department any and all forms required by the Department.

(i) "Director" means the Director of the Illinois Department of Central Management Services.

(j) "Eligibility period" means the period of time a member has to elect enrollment in programs or to select benefits without regard to age, sex or health.



(k) "Employee" means and includes each officer or employee in the service of a department who (1) receives his compensation for service rendered to the department on a warrant issued pursuant to a payroll certified by a department or on a warrant or check issued and drawn by a department upon a trust, federal or other fund or on a warrant issued pursuant to a payroll certified by an elected or duly appointed officer of the State or who receives payment of the performance of personal services on a warrant issued pursuant to a payroll certified by a Department and drawn by the Comptroller upon the State Treasurer against appropriations made by the General Assembly from any fund or against trust funds held by the State Treasurer, and (2) is employed full-time or part-time in a position normally requiring actual performance of duty during not less than 1/2 of a normal work period, as established by the Director in cooperation with each department, except that persons elected by popular vote will be considered employees during the entire term for which they are elected regardless of hours devoted to the service of the State, and (3) except that "employee" does not include any person who is not eligible by reason of such person's employment to participate in one of the State retirement systems under Articles 2, 14, 15 (either the regular Article 15 system or the optional retirement program established under Section 15-158.2) or 18, or under paragraph (2), (3), or (5) of Section 16-106, of the Illinois Pension Code, but such term does include persons who are employed during the 6 month qualifying period under Article 14 of the Illinois Pension Code. Such term also includes any person who (1) after January 1, 1966, is receiving ordinary or accidental disability benefits under Articles 2, 14, 15 (including ordinary or accidental disability benefits under the optional retirement program established under Section 15-158.2), paragraphs (2), (3), or (5) of Section 16-106, or Article 18 of the Illinois Pension Code, for disability incurred after January 1, 1966, (2) receives total permanent or total temporary disability under the Workers' Compensation Act or Occupational Disease Act as a result of injuries sustained or illness contracted in the course of employment with the State of Illinois, or (3) is not otherwise covered under this Act and has retired as a participating member under Article 2 of the Illinois Pension Code but is ineligible for the retirement annuity under Section 2-119 of the Illinois Pension Code. However, a person who satisfies the criteria of the foregoing definition of "employee" except that such person is made ineligible to participate in the State Universities Retirement System by clause (4) of subsection (a) of Section 15-107 of the Illinois Pension Code is also an "employee" for the purposes of this Act. "Employee" also includes any person receiving or eligible for benefits under a sick pay plan established in accordance with Section 36 of the State Finance Act. "Employee" also includes (i) each officer or employee in the service of a qualified local government, including persons appointed as trustees of sanitary districts regardless of hours devoted to the service of the sanitary district, (ii) each employee in the service of a qualified rehabilitation facility, (iii) each full-time employee in the service of a qualified domestic violence shelter or service, and (iv) each full-time employee in the service of a qualified child advocacy center, as determined according to rules promulgated by the Director.

(l) "Member" means an employee, annuitant, retired employee or survivor. In the case of an annuitant or retired employee who first becomes an annuitant or retired employee on or after the effective date of this amendatory Act of the 97th General Assembly, the individual must meet the minimum vesting requirements of the applicable retirement system in order to be eligible for group insurance benefits under that system. In the case of a survivor who first becomes a survivor on or after the effective date of this amendatory Act of the 97th General Assembly, the deceased employee, annuitant, or retired employee upon whom the annuity is based must have been eligible to participate in the group insurance system under the applicable retirement system in order for the survivor to be eligible for group insurance benefits under that system.

(m) "Optional coverages or benefits" means those coverages or benefits available to the member on his or her voluntary election, and at his or her own expense.

(n) "Program" means the group life insurance, health benefits and other employee benefits designed and contracted for by the Director under this Act.

(o) "Health plan" means a health benefits program offered by the State of Illinois for persons eligible for the plan.

(p) "Retired employee" means any person who would be an annuitant as that term is defined herein but for the fact that such person retired prior to January 1, 1966. Such term also includes any person formerly employed by the University of Illinois in the Cooperative Extension Service who would be an annuitant but for the fact that such person was made ineligible to participate in the State Universities Retirement System by clause (4) of subsection (a) of Section 15-107 of the Illinois Pension Code.

(q) "Survivor" means a person receiving an annuity as a survivor of an employee or of an annuitant. "Survivor" also includes: (1) the surviving dependent of a person who satisfies the definition of "employee" except that such person is made ineligible to participate in the State Universities Retirement System by clause (4) of subsection (a) of Section 15-107 of the Illinois Pension Code; (2) the surviving dependent of any person formerly employed by the University of Illinois in the Cooperative Extension

Service who would be an annuitant except for the fact that such person was made ineligible to participate in the State Universities Retirement System by clause (4) of subsection (a) of Section 15-107 of the Illinois Pension Code; and (3) the surviving dependent of a person who was an annuitant under this Act by virtue of receiving an alternative retirement cancellation payment under Section 14-108.5 of the Illinois Pension Code.

(q-2) "SERS" means the State Employees' Retirement System of Illinois, created under Article 14 of the Illinois Pension Code.

(q-3) "SURS" means the State Universities Retirement System, created under Article 15 of the Illinois Pension Code.

(q-4) "TRS" means the Teachers' Retirement System of the State of Illinois, created under Article 16 of the Illinois Pension Code.

(q-5) (Blank).

(q-6) (Blank).

(q-7) (Blank).

(r) "Medical services" means the services provided within the scope of their licenses by practitioners in all categories licensed under the Medical Practice Act of 1987.

(s) "Unit of local government" means any county, municipality, township, school district (including a combination of school districts under the Intergovernmental Cooperation Act), special district or other unit, designated as a unit of local government by law, which exercises limited governmental powers or powers in respect to limited governmental subjects, any not-for-profit association with a membership that primarily includes townships and township officials, that has duties that include provision of research service, dissemination of information, and other acts for the purpose of improving township government, and that is funded wholly or partly in accordance with Section 85-15 of the Township Code; any not-for-profit corporation or association, with a membership consisting primarily of municipalities, that operates its own utility system, and provides research, training, dissemination of information, or other acts to promote cooperation between and among municipalities that provide utility services and for the advancement of the goals and purposes of its membership; the Southern Illinois Collegiate Common Market, which is a consortium of higher education institutions in Southern Illinois; the Illinois Association of Park Districts; and any hospital provider that is owned by a county that has 100 or fewer hospital beds and has not already joined the program. "Qualified local government" means a unit of local government approved by the Director and participating in a program created under subsection (i) of Section 10 of this Act.

(t) "Qualified rehabilitation facility" means any not-for-profit organization that is accredited by the Commission on Accreditation of Rehabilitation Facilities or certified by the Department of Human Services (as successor to the Department of Mental Health and Developmental Disabilities) to provide services to persons with disabilities and which receives funds from the State of Illinois for providing those services, approved by the Director and participating in a program created under subsection (j) of Section 10 of this Act.

(u) "Qualified domestic violence shelter or service" means any Illinois domestic violence shelter or service and its administrative offices funded by the Department of Human Services (as successor to the Illinois Department of Public Aid), approved by the Director and participating in a program created under subsection (k) of Section 10.

(v) "TRS benefit recipient" means a person who:

(1) is not a "member" as defined in this Section; and

(2) is receiving a monthly benefit or retirement annuity under Article 16 of the Illinois Pension Code; and

(3) either (i) has at least 8 years of creditable service under Article 16 of the Illinois Pension Code, or (ii) was enrolled in the health insurance program offered under that Article on January 1, 1996, or (iii) is the survivor of a benefit recipient who had at least 8 years of creditable service under Article 16 of the Illinois Pension Code or was enrolled in the health insurance program offered under that Article on the effective date of this amendatory Act of 1995, or (iv) is a recipient or survivor of a recipient of a disability benefit under Article 16 of the Illinois Pension Code.

(w) "TRS dependent beneficiary" means a person who:

(1) is not a "member" or "dependent" as defined in this Section; and

(2) is a TRS benefit recipient's: (A) spouse, (B) dependent parent who is receiving at least half of his or her support from the TRS benefit recipient, or (C) natural, step, adjudicated, or adopted child who is (i) under age 26, (ii) was, on January 1, 1996, participating as a dependent beneficiary in the health insurance program offered under Article 16 of the Illinois Pension Code, or

(iii) age 19 or over who has a mental or physical disability from a cause originating prior to the age of 19 (age 26 if enrolled as an adult child).

"TRS dependent beneficiary" does not include, as indicated under paragraph (2) of this subsection (w), a dependent of the survivor of a TRS benefit recipient who first becomes a dependent of a survivor of a TRS benefit recipient on or after the effective date of this amendatory Act of the 97th General Assembly unless that dependent would have been eligible for coverage as a dependent of the deceased TRS benefit recipient upon whom the survivor benefit is based.

(x) "Military leave" refers to individuals in basic training for reserves, special/advanced training, annual training, emergency call up, activation by the President of the United States, or any other training or duty in service to the United States Armed Forces.

(y) (Blank).

(z) "Community college benefit recipient" means a person who:

(1) is not a "member" as defined in this Section; and

(2) is receiving a monthly survivor's annuity or retirement annuity under Article 15 of the Illinois Pension Code; and

(3) either (i) was a full-time employee of a community college district or an association of community college boards created under the Public Community College Act (other than an employee whose last employer under Article 15 of the Illinois Pension Code was a community college district subject to Article VII of the Public Community College Act) and was eligible to participate in a group health benefit plan as an employee during the time of employment with a community college district (other than a community college district subject to Article VII of the Public Community College Act) or an association of community college boards, or (ii) is the survivor of a person described in item (i).

(aa) "Community college dependent beneficiary" means a person who:

(1) is not a "member" or "dependent" as defined in this Section; and

(2) is a community college benefit recipient's: (A) spouse, (B) dependent parent who is receiving at least half of his or her support from the community college benefit recipient, or (C) natural, step, adjudicated, or adopted child who is (i) under age 26, or (ii) age 19 or over and has a mental or physical disability from a cause originating prior to the age of 19 (age 26 if enrolled as an adult child).

"Community college dependent beneficiary" does not include, as indicated under paragraph (2) of this subsection (aa), a dependent of the survivor of a community college benefit recipient who first becomes a dependent of a survivor of a community college benefit recipient on or after the effective date of this amendatory Act of the 97th General Assembly unless that dependent would have been eligible for coverage as a dependent of the deceased community college benefit recipient upon whom the survivor annuity is based.

(bb) "Qualified child advocacy center" means any Illinois child advocacy center and its administrative offices funded by the Department of Children and Family Services, as defined by the Children's Advocacy Center Act (55 ILCS 80/), approved by the Director and participating in a program created under subsection (n) of Section 10.

(Source: P.A. 98-488, eff. 8-16-13; 99-143, eff. 7-27-15.)

(5 ILCS 375/10) (from Ch. 127, par. 530)

Sec. 10. Contributions by the State and members.

(a) The State shall pay the cost of basic non-contributory group life insurance and, subject to member paid contributions set by the Department or required by this Section and except as provided in this Section, the basic program of group health benefits on each eligible member, except a member, not otherwise covered by this Act, who has retired as a participating member under Article 2 of the Illinois Pension Code but is ineligible for the retirement annuity under Section 2-119 of the Illinois Pension Code, and part of each eligible member's and retired member's premiums for health insurance coverage for enrolled dependents as provided by Section 9. The State shall pay the cost of the basic program of group health benefits only after benefits are reduced by the amount of benefits covered by Medicare for all members and dependents who are eligible for benefits under Social Security or the Railroad Retirement system or who had sufficient Medicare-covered government employment, except that such reduction in benefits shall apply only to those members and dependents who (1) first become eligible for such Medicare coverage on or after July 1, 1992; or (2) are Medicare-eligible members or dependents of a local government unit which began participation in the program on or after July 1, 1992; or (3) remain eligible for, but no longer receive Medicare coverage which they had been receiving on or after July 1, 1992. The Department may determine the aggregate level of the State's contribution on the basis of actual cost of medical services adjusted for age, sex or geographic or other demographic characteristics which affect the costs of such programs.

The cost of participation in the basic program of group health benefits for the dependent or survivor of a living or deceased retired employee who was formerly employed by the University of Illinois in the Cooperative Extension Service and would be an annuitant but for the fact that he or she was made ineligible to participate in the State Universities Retirement System by clause (4) of subsection (a) of Section 15-107 of the Illinois Pension Code shall not be greater than the cost of participation that would otherwise apply to that dependent or survivor if he or she were the dependent or survivor of an annuitant under the State Universities Retirement System.

(a-1) (Blank).

(a-2) (Blank).

(a-3) (Blank).

(a-4) (Blank).

(a-5) (Blank).

(a-6) (Blank).

(a-7) (Blank).

(a-8) Any annuitant, survivor, or retired employee may waive or terminate coverage in the program of group health benefits. Any such annuitant, survivor, or retired employee who has waived or terminated coverage may enroll or re-enroll in the program of group health benefits only during the annual benefit choice period, as determined by the Director; except that in the event of termination of coverage due to nonpayment of premiums, the annuitant, survivor, or retired employee may not re-enroll in the program.

(a-8.5) Beginning on the effective date of this amendatory Act of the 97th General Assembly, the Director of Central Management Services shall, on an annual basis, determine the amount that the State shall contribute toward the basic program of group health benefits on behalf of annuitants (including individuals who (i) participated in the General Assembly Retirement System, the State Employees' Retirement System of Illinois, the State Universities Retirement System, the Teachers' Retirement System of the State of Illinois, or the Judges Retirement System of Illinois and (ii) qualify as annuitants under subsection (b) of Section 3 of this Act), survivors (including individuals who (i) receive an annuity as a survivor of an individual who participated in the General Assembly Retirement System, the State Employees' Retirement System of Illinois, the State Universities Retirement System, the Teachers' Retirement System of the State of Illinois, or the Judges Retirement System of Illinois and (ii) qualify as survivors under subsection (q) of Section 3 of this Act), and retired employees (as defined in subsection (p) of Section 3 of this Act). The remainder of the cost of coverage for each annuitant, survivor, or retired employee, as determined by the Director of Central Management Services, shall be the responsibility of that annuitant, survivor, or retired employee.

Contributions required of annuitants, survivors, and retired employees shall be the same for all retirement systems and shall also be based on whether an individual has made an election under Section 15-135.1 of the Illinois Pension Code. Contributions may be based on annuitants', survivors', or retired employees' Medicare eligibility, but may not be based on Social Security eligibility.

(a-9) No later than May 1 of each calendar year, the Director of Central Management Services shall certify in writing to the Executive Secretary of the State Employees' Retirement System of Illinois the amounts of the Medicare supplement health care premiums and the amounts of the health care premiums for all other retirees who are not Medicare eligible.

A separate calculation of the premiums based upon the actual cost of each health care plan shall be so certified.

The Director of Central Management Services shall provide to the Executive Secretary of the State Employees' Retirement System of Illinois such information, statistics, and other data as he or she may require to review the premium amounts certified by the Director of Central Management Services.

The Department of Central Management Services, or any successor agency designated to procure healthcare contracts pursuant to this Act, is authorized to establish funds, separate accounts provided by any bank or banks as defined by the Illinois Banking Act, or separate accounts provided by any savings and loan association or associations as defined by the Illinois Savings and Loan Act of 1985 to be held by the Director, outside the State treasury, for the purpose of receiving the transfer of moneys from the Local Government Health Insurance Reserve Fund. The Department may promulgate rules further defining the methodology for the transfers. Any interest earned by moneys in the funds or accounts shall inure to the Local Government Health Insurance Reserve Fund. The transferred moneys, and interest accrued thereon, shall be used exclusively for transfers to administrative service organizations or their financial institutions for payments of claims to claimants and providers under the self-insurance health plan. The transferred moneys, and interest accrued thereon, shall not be used for any other purpose including, but not limited to, reimbursement of administration fees due the administrative service organization pursuant to its contract or contracts with the Department.

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(a-10) To the extent that participation, benefits, or premiums under this Act are based on a person's service credit under an Article of the Illinois Pension Code, service credit terminated in exchange for an accelerated pension benefit payment under Section 14-147.5, 15-185.5, or 16-190.5 of that Code shall be included in determining a person's service credit for the purposes of this Act.

(b) State employees who become eligible for this program on or after January 1, 1980 in positions normally requiring actual performance of duty not less than 1/2 of a normal work period but not equal to that of a normal work period, shall be given the option of participating in the available program. If the employee elects coverage, the State shall contribute on behalf of such employee to the cost of the employee's benefit and any applicable dependent supplement, that sum which bears the same percentage as that percentage of time the employee regularly works when compared to normal work period.

(c) The basic non-contributory coverage from the basic program of group health benefits shall be continued for each employee not in pay status or on active service by reason of (1) leave of absence due to illness or injury, (2) authorized educational leave of absence or sabbatical leave, or (3) military leave. This coverage shall continue until expiration of authorized leave and return to active service, but not to exceed 24 months for leaves under item (1) or (2). This 24-month limitation and the requirement of returning to active service shall not apply to persons receiving ordinary or accidental disability benefits or retirement benefits through the appropriate State retirement system or benefits under the Workers' Compensation or Occupational Disease Act.

(d) The basic group life insurance coverage shall continue, with full State contribution, where such person is (1) absent from active service by reason of disability arising from any cause other than self-inflicted, (2) on authorized educational leave of absence or sabbatical leave, or (3) on military leave.

(e) Where the person is in non-pay status for a period in excess of 30 days or on leave of absence, other than by reason of disability, educational or sabbatical leave, or military leave, such person may continue coverage only by making personal payment equal to the amount normally contributed by the State on such person's behalf. Such payments and coverage may be continued: (1) until such time as the person returns to a status eligible for coverage at State expense, but not to exceed 24 months or (2) until such person's employment or annuitant status with the State is terminated (exclusive of any additional service imposed pursuant to law).

(f) The Department shall establish by rule the extent to which other employee benefits will continue for persons in non-pay status or who are not in active service.

(g) The State shall not pay the cost of the basic non-contributory group life insurance, program of health benefits and other employee benefits for members who are survivors as defined by paragraphs (1) and (2) of subsection (q) of Section 3 of this Act. The costs of benefits for these survivors shall be paid by the survivors or by the University of Illinois Cooperative Extension Service, or any combination thereof. However, the State shall pay the amount of the reduction in the cost of participation, if any, resulting from the amendment to subsection (a) made by this amendatory Act of the 91st General Assembly.

(h) Those persons occupying positions with any department as a result of emergency appointments pursuant to Section 8b.8 of the Personnel Code who are not considered employees under this Act shall be given the option of participating in the programs of group life insurance, health benefits and other employee benefits. Such persons electing coverage may participate only by making payment equal to the amount normally contributed by the State for similarly situated employees. Such amounts shall be determined by the Director. Such payments and coverage may be continued until such time as the person becomes an employee pursuant to this Act or such person's appointment is terminated.

(i) Any unit of local government within the State of Illinois may apply to the Director to have its employees, annuitants, and their dependents provided group health coverage under this Act on a non-insured basis. To participate, a unit of local government must agree to enroll all of its employees, who may select coverage under either the State group health benefits plan or a health maintenance organization that has contracted with the State to be available as a health care provider for employees as defined in this Act. A unit of local government must remit the entire cost of providing coverage under the State group health benefits plan or, for coverage under a health maintenance organization, an amount determined by the Director based on an analysis of the sex, age, geographic location, or other relevant demographic variables for its employees, except that the unit of local government shall not be required to enroll those of its employees who are covered spouses or dependents under this plan or another group policy or plan providing health benefits as long as (1) an appropriate official from the unit of local government attests that each employee not enrolled is a covered spouse or dependent under this plan or another group policy or plan, and (2) at least 50% of the employees are enrolled and the unit of local government remits the entire cost of providing coverage to those employees, except that a participating school district must have enrolled at least 50% of its full-time employees who have not waived coverage under the district's group health plan by participating in a component of the district's cafeteria plan. A participating school district

is not required to enroll a full-time employee who has waived coverage under the district's health plan, provided that an appropriate official from the participating school district attests that the full-time employee has waived coverage by participating in a component of the district's cafeteria plan. For the purposes of this subsection, "participating school district" includes a unit of local government whose primary purpose is education as defined by the Department's rules.

Employees of a participating unit of local government who are not enrolled due to coverage under another group health policy or plan may enroll in the event of a qualifying change in status, special enrollment, special circumstance as defined by the Director, or during the annual Benefit Choice Period. A participating unit of local government may also elect to cover its annuitants. Dependent coverage shall be offered on an optional basis, with the costs paid by the unit of local government, its employees, or some combination of the two as determined by the unit of local government. The unit of local government shall be responsible for timely collection and transmission of dependent premiums.

The Director shall annually determine monthly rates of payment, subject to the following constraints:

(1) In the first year of coverage, the rates shall be equal to the amount normally charged to State employees for elected optional coverages or for enrolled dependents coverages or other contributory coverages, or contributed by the State for basic insurance coverages on behalf of its employees, adjusted for differences between State employees and employees of the local government in age, sex, geographic location or other relevant demographic variables, plus an amount sufficient to pay for the additional administrative costs of providing coverage to employees of the unit of local government and their dependents.

(2) In subsequent years, a further adjustment shall be made to reflect the actual prior years' claims experience of the employees of the unit of local government.

In the case of coverage of local government employees under a health maintenance organization, the Director shall annually determine for each participating unit of local government the maximum monthly amount the unit may contribute toward that coverage, based on an analysis of (i) the age, sex, geographic location, and other relevant demographic variables of the unit's employees and (ii) the cost to cover those employees under the State group health benefits plan. The Director may similarly determine the maximum monthly amount each unit of local government may contribute toward coverage of its employees' dependents under a health maintenance organization.

Monthly payments by the unit of local government or its employees for group health benefits plan or health maintenance organization coverage shall be deposited in the Local Government Health Insurance Reserve Fund.

The Local Government Health Insurance Reserve Fund is hereby created as a nonappropriated trust fund to be held outside the State Treasury, with the State Treasurer as custodian. The Local Government Health Insurance Reserve Fund shall be a continuing fund not subject to fiscal year limitations. The Local Government Health Insurance Reserve Fund is not subject to administrative charges or charge-backs, including but not limited to those authorized under Section 8h of the State Finance Act. All revenues arising from the administration of the health benefits program established under this Section shall be deposited into the Local Government Health Insurance Reserve Fund. Any interest earned on moneys in the Local Government Health Insurance Reserve Fund shall be deposited into the Fund. All expenditures from this Fund shall be used for payments for health care benefits for local government and rehabilitation facility employees, annuitants, and dependents, and to reimburse the Department or its administrative service organization for all expenses incurred in the administration of benefits. No other State funds may be used for these purposes.

A local government employer's participation or desire to participate in a program created under this subsection shall not limit that employer's duty to bargain with the representative of any collective bargaining unit of its employees.

(j) Any rehabilitation facility within the State of Illinois may apply to the Director to have its employees, annuitants, and their eligible dependents provided group health coverage under this Act on a non-insured basis. To participate, a rehabilitation facility must agree to enroll all of its employees and remit the entire cost of providing such coverage for its employees, except that the rehabilitation facility shall not be required to enroll those of its employees who are covered spouses or dependents under this plan or another group policy or plan providing health benefits as long as (1) an appropriate official from the rehabilitation facility attests that each employee not enrolled is a covered spouse or dependent under this plan or another group policy or plan, and (2) at least 50% of the employees are enrolled and the rehabilitation facility remits the entire cost of providing coverage to those employees. Employees of a participating rehabilitation facility who are not enrolled due to coverage under another group health policy or plan may enroll in the event of a qualifying change in status, special enrollment, special circumstance as defined by the Director, or during the annual Benefit Choice Period. A participating rehabilitation facility may also elect to cover

its annuitants. Dependent coverage shall be offered on an optional basis, with the costs paid by the rehabilitation facility, its employees, or some combination of the 2 as determined by the rehabilitation facility. The rehabilitation facility shall be responsible for timely collection and transmission of dependent premiums.

The Director shall annually determine quarterly rates of payment, subject to the following constraints:

(1) In the first year of coverage, the rates shall be equal to the amount normally charged to State employees for elected optional coverages or for enrolled dependents coverages or other contributory coverages on behalf of its employees, adjusted for differences between State employees and employees of the rehabilitation facility in age, sex, geographic location or other relevant demographic variables, plus an amount sufficient to pay for the additional administrative costs of providing coverage to employees of the rehabilitation facility and their dependents.

(2) In subsequent years, a further adjustment shall be made to reflect the actual prior years' claims experience of the employees of the rehabilitation facility.

Monthly payments by the rehabilitation facility or its employees for group health benefits shall be deposited in the Local Government Health Insurance Reserve Fund.

(k) Any domestic violence shelter or service within the State of Illinois may apply to the Director to have its employees, annuitants, and their dependents provided group health coverage under this Act on a non-insured basis. To participate, a domestic violence shelter or service must agree to enroll all of its employees and pay the entire cost of providing such coverage for its employees. The domestic violence shelter shall not be required to enroll those of its employees who are covered spouses or dependents under this plan or another group policy or plan providing health benefits as long as (1) an appropriate official from the domestic violence shelter attests that each employee not enrolled is a covered spouse or dependent under this plan or another group policy or plan and (2) at least 50% of the employees are enrolled and the domestic violence shelter remits the entire cost of providing coverage to those employees. Employees of a participating domestic violence shelter who are not enrolled due to coverage under another group health policy or plan may enroll in the event of a qualifying change in status, special enrollment, or special circumstance as defined by the Director or during the annual Benefit Choice Period. A participating domestic violence shelter may also elect to cover its annuitants. Dependent coverage shall be offered on an optional basis, with employees, or some combination of the 2 as determined by the domestic violence shelter or service. The domestic violence shelter or service shall be responsible for timely collection and transmission of dependent premiums.

The Director shall annually determine rates of payment, subject to the following constraints:

(1) In the first year of coverage, the rates shall be equal to the amount normally charged to State employees for elected optional coverages or for enrolled dependents coverages or other contributory coverages on behalf of its employees, adjusted for differences between State employees and employees of the domestic violence shelter or service in age, sex, geographic location or other relevant demographic variables, plus an amount sufficient to pay for the additional administrative costs of providing coverage to employees of the domestic violence shelter or service and their dependents.

(2) In subsequent years, a further adjustment shall be made to reflect the actual prior years' claims experience of the employees of the domestic violence shelter or service.

Monthly payments by the domestic violence shelter or service or its employees for group health insurance shall be deposited in the Local Government Health Insurance Reserve Fund.

(l) A public community college or entity organized pursuant to the Public Community College Act may apply to the Director initially to have only annuitants not covered prior to July 1, 1992 by the district's health plan provided health coverage under this Act on a non-insured basis. The community college must execute a 2-year contract to participate in the Local Government Health Plan. Any annuitant may enroll in the event of a qualifying change in status, special enrollment, special circumstance as defined by the Director, or during the annual Benefit Choice Period.

The Director shall annually determine monthly rates of payment subject to the following constraints: for those community colleges with annuitants only enrolled, first year rates shall be equal to the average cost to cover claims for a State member adjusted for demographics, Medicare participation, and other factors; and in the second year, a further adjustment of rates shall be made to reflect the actual first year's claims experience of the covered annuitants.

(l-5) The provisions of subsection (l) become inoperative on July 1, 1999.

(m) The Director shall adopt any rules deemed necessary for implementation of this amendatory Act of 1989 (Public Act 86-978).

(n) Any child advocacy center within the State of Illinois may apply to the Director to have its employees, annuitants, and their dependents provided group health coverage under this Act on a non-insured basis. To participate, a child advocacy center must agree to enroll all of its employees and pay the

entire cost of providing coverage for its employees. The child advocacy center shall not be required to enroll those of its employees who are covered spouses or dependents under this plan or another group policy or plan providing health benefits as long as (1) an appropriate official from the child advocacy center attests that each employee not enrolled is a covered spouse or dependent under this plan or another group policy or plan and (2) at least 50% of the employees are enrolled and the child advocacy center remits the entire cost of providing coverage to those employees. Employees of a participating child advocacy center who are not enrolled due to coverage under another group health policy or plan may enroll in the event of a qualifying change in status, special enrollment, or special circumstance as defined by the Director or during the annual Benefit Choice Period. A participating child advocacy center may also elect to cover its annuitants. Dependent coverage shall be offered on an optional basis, with the costs paid by the child advocacy center, its employees, or some combination of the 2 as determined by the child advocacy center. The child advocacy center shall be responsible for timely collection and transmission of dependent premiums.

The Director shall annually determine rates of payment, subject to the following constraints:

(1) In the first year of coverage, the rates shall be equal to the amount normally charged to State employees for elected optional coverages or for enrolled dependents coverages or other contributory coverages on behalf of its employees, adjusted for differences between State employees and employees of the child advocacy center in age, sex, geographic location, or other relevant demographic variables, plus an amount sufficient to pay for the additional administrative costs of providing coverage to employees of the child advocacy center and their dependents.

(2) In subsequent years, a further adjustment shall be made to reflect the actual prior years' claims experience of the employees of the child advocacy center.

Monthly payments by the child advocacy center or its employees for group health insurance shall be deposited into the Local Government Health Insurance Reserve Fund.

(Source: P.A. 97-695, eff. 7-1-12; 98-488, eff. 8-16-13.)

Section 15. The Civil Administrative Code of Illinois is amended by adding Section 5-647 as follows:  
(20 ILCS 5/5-647 new)

Sec. 5-647. Future increases in income. A Department must not pay, offer, or agree to pay any future increase in income, as that term is defined in Section 14-103.42, 15-112.1, or 16-121.1 of the Illinois Pension Code, to any person in a manner that violates Section 14-106.5, 15-132.9, or 16-122.9 of the Illinois Pension Code.

Section 20. The Attorney General Act is amended by adding Section 5 as follows:  
(15 ILCS 205/5 new)

Sec. 5. Future increases in income. The Office of the Attorney General must not pay, offer, or agree to pay any future increase in income, as that term is defined in Section 14-103.42 of the Illinois Pension Code, to any person in a manner that violates Section 14-106.5 of the Illinois Pension Code.

Section 25. The Secretary of State Merit Employment Code is amended by adding Section 13a as follows:

(15 ILCS 310/13a new)

Sec. 13a. Future increases in income. The Office of the Secretary of State must not pay, offer, or agree to pay any future increase in income, as that term is defined in Section 14-103.42 of the Illinois Pension Code, to any person in a manner that violates Section 14-106.5 of the Illinois Pension Code.

Section 30. The Comptroller Merit Employment Code is amended by adding Section 13a as follows:  
(15 ILCS 410/13a new)

Sec. 13a. Future increases in income. The Office of the Comptroller must not pay, offer, or agree to pay any future increase in income, as that term is defined in Section 14-103.42 of the Illinois Pension Code, to any person in a manner that violates Section 14-106.5 of the Illinois Pension Code.

Section 35. The State Treasurer Employment Code is amended by adding Section 12a as follows:  
(15 ILCS 510/12a new)

Sec. 12a. Future increases in income. The Office of the State Treasurer must not pay, offer, or agree to pay any future increase in income, as that term is defined in Section 14-103.42 of the Illinois Pension Code, to any person in a manner that violates Section 14-106.5 of the Illinois Pension Code.

Section 40. The Budget Stabilization Act is amended by changing Section 20 as follows:

[February 28, 2017]



(30 ILCS 122/20)

(Text of Section WITHOUT the changes made by P.A. 98-599, which has been held unconstitutional) Sec. 20. Pension Stabilization Fund.

(a) The Pension Stabilization Fund is hereby created as a special fund in the State treasury. Moneys in the fund shall be used for the sole purpose of making payments to the designated retirement systems as provided in Section 25.

(b) For each fiscal year through State fiscal year 2020, when the General Assembly's appropriations and transfers or diversions as required by law from general funds do not exceed 99% of the estimated general funds revenues pursuant to subsection (a) of Section 10, the Comptroller shall transfer from the General Revenue Fund as provided by this Section a total amount equal to 0.5% of the estimated general funds revenues to the Pension Stabilization Fund.

(c) For each fiscal year through State fiscal year 2020, when the General Assembly's appropriations and transfers or diversions as required by law from general funds do not exceed 98% of the estimated general funds revenues pursuant to subsection (b) of Section 10, the Comptroller shall transfer from the General Revenue Fund as provided by this Section a total amount equal to 1.0% of the estimated general funds revenues to the Pension Stabilization Fund.

(c-5) In addition to any other amounts required to be transferred under this Section, in State fiscal year 2021 and each fiscal year thereafter through State fiscal year 2045, or when each of the designated retirement systems, as defined in Section 25, has achieved 100% funding, whichever occurs first, the State Comptroller shall order transferred and the State Treasurer shall transfer from the General Revenue Fund to the Pension Stabilization Fund an amount equal to (1) the sum of the amounts certified by the designated retirement systems under subsection (a-10) of Section 14-135.08, subsection (a-10) of Section 15-165, and subsection (a-10) of Section 16-158 of this Code for that fiscal year minus (2) the sum of the required State contributions certified by the retirement systems under subsection (a-5) of Section 14-135.08, subsection (a-5) of Section 15-165, and subsection (a-5) of Section 16-158 of this Code for that fiscal year. The transferred amount is intended to represent the annual savings to the State resulting from the enactment of Section 1-161 and Section 14-155.2, the enactment of subsection (a-2) of Section 15-155 and subsection (b-4) of Section 16-158, and the changes made to Section 1-160 by this amendatory Act of the 100th General Assembly.

(d) The Comptroller shall transfer 1/12 of the total amount to be transferred each fiscal year under this Section into the Pension Stabilization Fund on the first day of each month of that fiscal year or as soon thereafter as possible; except that the final transfer of the fiscal year shall be made as soon as practical after the August 31 following the end of the fiscal year.

Until State fiscal year 2021, before the final transfer for a fiscal year is made, the Comptroller shall reconcile the estimated general funds revenues used in calculating the other transfers under this Section for that fiscal year with the actual general funds revenues for that fiscal year. The final transfer for the fiscal year shall be adjusted so that the total amount transferred under this Section for that fiscal year is equal to the percentage specified in subsection (b) or (c) of this Section, whichever is applicable, of the actual general funds revenues for that fiscal year. The actual general funds revenues for the fiscal year shall be calculated in a manner consistent with subsection (c) of Section 10 of this Act.

(Source: P.A. 94-839, eff. 6-6-06.)

Section 45. The Illinois Pension Code is amended by changing Sections 1-160, 2-101, 2-105, 2-107, 2-108, 2-119.1, 2-124, 2-126, 2-134, 2-162, 14-103.10, 14-114, 14-131, 14-133, 14-135.08, 14-152.1, 15-108.1, 15-108.2, 15-111, 15-136, 15-155, 15-157, 15-165, 15-198, 16-121, 16-133.1, 16-136.1, 16-152, 16-158, 16-203, 17-116, 17-119.2, 17-129, 17-130, 18-131, 18-140, 20-121, 20-123, 20-124, and 20-125 and by adding Sections 1-161, 1-162, 2-105.3, 2-107.9, 2-107.10, 2-110.3, 2-165.1, 2-166.1, 14-103.41, 14-103.42, 14-103.43, 14-106.5, 14-147.5, 14-155.1, 14-155.2, 14-156.1, 15-112.1, 15-112.2, 15-132.9, 15-185.5, 15-200.1, 15-201.1, 16-107.1, 16-121.1, 16-121.2, 16-122.9, 16-190.5, 16-205.1, 16-206.1, 17-106.05, 17-113.4, 17-113.5, 17-113.6, and 17-115.5 as follows:

(40 ILCS 5/1-160)

(Text of Section WITHOUT the changes made by P.A. 98-641, which has been held unconstitutional) Sec. 1-160. Provisions applicable to new hires.

(a) The provisions of this Section apply to a person who, on or after January 1, 2011, first becomes a member or a participant under any reciprocal retirement system or pension fund established under this Code, other than a retirement system or pension fund established under Article 2, 3, 4, 5, 6, 15 or 18 of this Code, notwithstanding any other provision of this Code to the contrary, but do not apply to any self-managed plan established under this Code, to any person with respect to service as a sheriff's law enforcement employee under Article 7, or to any participant of the retirement plan established under

Section 22-101. Notwithstanding anything to the contrary in this Section, for purposes of this Section, a person who participated in a retirement system under Article 15 prior to January 1, 2011 shall be deemed a person who first became a member or participant prior to January 1, 2011 under any retirement system or pension fund subject to this Section. The changes made to this Section by Public Act 98-596 ~~this amendatory Act of the 98th General Assembly~~ are a clarification of existing law and are intended to be retroactive to January 1, 2011 (the effective date of Public Act 96-889), notwithstanding the provisions of Section 1-103.1 of this Code.

This Section does not apply to a person who, on or after 6 months after the effective date of this amendatory Act of the 100th General Assembly, first becomes a member or participant under Article 14 or 16, unless that person (i) is a covered employee under Article 14 who has not elected to participate in the defined contribution plan under Section 14-155.2 or (ii) elects under subsection (b) of Section 1-161 to receive the benefits provided under this Section and the applicable provisions of the Article under which he or she is a member or participant. This Section also does not apply to a person who first becomes a member or participant of an affected pension fund on or after 6 months after the resolution or ordinance date, as defined in Section 1-162, unless that person elects under subsection (c) of Section 1-162 to receive the benefits provided under this Section and the applicable provisions of the Article under which he or she is a member or participant.

(b) "Final average salary" means the average monthly (or annual) salary obtained by dividing the total salary or earnings calculated under the Article applicable to the member or participant during the 96 consecutive months (or 8 consecutive years) of service within the last 120 months (or 10 years) of service in which the total salary or earnings calculated under the applicable Article was the highest by the number of months (or years) of service in that period. For the purposes of a person who first becomes a member or participant of any retirement system or pension fund to which this Section applies on or after January 1, 2011, in this Code, "final average salary" shall be substituted for the following:

(1) In Article 7 (except for service as sheriff's law enforcement employees), "final rate of earnings".

(2) In Articles 8, 9, 10, 11, and 12, "highest average annual salary for any 4 consecutive years within the last 10 years of service immediately preceding the date of withdrawal".

(3) In Article 13, "average final salary".

(4) In Article 14, "final average compensation".

(5) In Article 17, "average salary".

(6) In Section 22-207, "wages or salary received by him at the date of retirement or discharge".

(b-5) Beginning on January 1, 2011, for all purposes under this Code (including without limitation the calculation of benefits and employee contributions), the annual earnings, salary, or wages (based on the plan year) of a member or participant to whom this Section applies shall not exceed \$106,800; however, that amount shall annually thereafter be increased by the lesser of (i) 3% of that amount, including all previous adjustments, or (ii) one-half the annual unadjusted percentage increase (but not less than zero) in the consumer price index-u for the 12 months ending with the September preceding each November 1, including all previous adjustments.

For the purposes of this Section, "consumer price index-u" means the index published by the Bureau of Labor Statistics of the United States Department of Labor that measures the average change in prices of goods and services purchased by all urban consumers, United States city average, all items, 1982-84 = 100. The new amount resulting from each annual adjustment shall be determined by the Public Pension Division of the Department of Insurance and made available to the boards of the retirement systems and pension funds by November 1 of each year.

(c) A member or participant is entitled to a retirement annuity upon written application if he or she has attained age 67 (beginning January 1, 2015, age 65 with respect to service under Article 12 of this Code that is subject to this Section) and has at least 10 years of service credit and is otherwise eligible under the requirements of the applicable Article.

A member or participant who has attained age 62 (beginning January 1, 2015, age 60 with respect to service under Article 12 of this Code that is subject to this Section) and has at least 10 years of service credit and is otherwise eligible under the requirements of the applicable Article may elect to receive the lower retirement annuity provided in subsection (d) of this Section.

(d) The retirement annuity of a member or participant who is retiring after attaining age 62 (beginning January 1, 2015, age 60 with respect to service under Article 12 of this Code that is subject to this Section) with at least 10 years of service credit shall be reduced by one-half of 1% for each full month that the member's age is under age 67 (beginning January 1, 2015, age 65 with respect to service under Article 12 of this Code that is subject to this Section).

[February 28, 2017]

(e) Any retirement annuity or supplemental annuity shall be subject to annual increases on the January 1 occurring either on or after the attainment of age 67 (beginning January 1, 2015, age 65 with respect to service under Article 12 of this Code that is subject to this Section) or the first anniversary of the annuity start date, whichever is later. Each annual increase shall be calculated at 3% or one-half the annual unadjusted percentage increase (but not less than zero) in the consumer price index-u for the 12 months ending with the September preceding each November 1, whichever is less, of the originally granted retirement annuity. If the annual unadjusted percentage change in the consumer price index-u for the 12 months ending with the September preceding each November 1 is zero or there is a decrease, then the annuity shall not be increased.

(f) The initial survivor's or widow's annuity of an otherwise eligible survivor or widow of a retired member or participant who first became a member or participant on or after January 1, 2011 shall be in the amount of 66 2/3% of the retired member's or participant's retirement annuity at the date of death. In the case of the death of a member or participant who has not retired and who first became a member or participant on or after January 1, 2011, eligibility for a survivor's or widow's annuity shall be determined by the applicable Article of this Code. The initial benefit shall be 66 2/3% of the earned annuity without a reduction due to age. A child's annuity of an otherwise eligible child shall be in the amount prescribed under each Article if applicable. Any survivor's or widow's annuity shall be increased (1) on each January 1 occurring on or after the commencement of the annuity if the deceased member died while receiving a retirement annuity or (2) in other cases, on each January 1 occurring after the first anniversary of the commencement of the annuity. Each annual increase shall be calculated at 3% or one-half the annual unadjusted percentage increase (but not less than zero) in the consumer price index-u for the 12 months ending with the September preceding each November 1, whichever is less, of the originally granted survivor's annuity. If the annual unadjusted percentage change in the consumer price index-u for the 12 months ending with the September preceding each November 1 is zero or there is a decrease, then the annuity shall not be increased.

(g) The benefits in Section 14-110 apply only if the person is a State policeman, a fire fighter in the fire protection service of a department, or a security employee of the Department of Corrections or the Department of Juvenile Justice, as those terms are defined in subsection (b) of Section 14-110. A person who meets the requirements of this Section is entitled to an annuity calculated under the provisions of Section 14-110, in lieu of the regular or minimum retirement annuity, only if the person has withdrawn from service with not less than 20 years of eligible creditable service and has attained age 60, regardless of whether the attainment of age 60 occurs while the person is still in service.

(h) If a person who first becomes a member or a participant of a retirement system or pension fund subject to this Section on or after January 1, 2011 is receiving a retirement annuity or retirement pension under that system or fund and becomes a member or participant under any other system or fund created by this Code and is employed on a full-time basis, except for those members or participants exempted from the provisions of this Section under subsection (a) of this Section, then the person's retirement annuity or retirement pension under that system or fund shall be suspended during that employment. Upon termination of that employment, the person's retirement annuity or retirement pension payments shall resume and be recalculated if recalculation is provided for under the applicable Article of this Code.

If a person who first becomes a member of a retirement system or pension fund subject to this Section on or after January 1, 2012 and is receiving a retirement annuity or retirement pension under that system or fund and accepts on a contractual basis a position to provide services to a governmental entity from which he or she has retired, then that person's annuity or retirement pension earned as an active employee of the employer shall be suspended during that contractual service. A person receiving an annuity or retirement pension under this Code shall notify the pension fund or retirement system from which he or she is receiving an annuity or retirement pension, as well as his or her contractual employer, of his or her retirement status before accepting contractual employment. A person who fails to submit such notification shall be guilty of a Class A misdemeanor and required to pay a fine of \$1,000. Upon termination of that contractual employment, the person's retirement annuity or retirement pension payments shall resume and, if appropriate, be recalculated under the applicable provisions of this Code.

(i) (Blank).

(j) Except for Sections 1-161 and 1-162, in ~~in~~ the case of a conflict between the provisions of this Section and any other provision of this Code, the provisions of this Section shall control.

(Source: P.A. 97-609, eff. 1-1-12; 98-92, eff. 7-16-13; 98-596, eff. 11-19-13; 98-622, eff. 6-1-14; revised 3-24-16.)

(40 ILCS 5/1-161 new)

Sec. 1-161. Optional benefits for certain Tier 2 members under Articles 14, 15, and 16.

(a) Notwithstanding any other provision of this Code to the contrary, the provisions of this Section apply to a person who, on or after 6 months after the effective date of this amendatory Act of the 100th General Assembly, first becomes a member or a participant under Article 14, 15, or 16 and who does not make the election under subsection (b) or (c), whichever is applicable. The provisions of this Section do not apply to any participant in a self-managed plan or to a covered employee under Article 14.

(b) In lieu of the benefits provided under this Section, a member or participant, except for a participant under Article 15, may irrevocably elect the benefits under Section 1-160 and the benefits otherwise applicable to that member or participant. The election must be made within 30 days after becoming a member or participant. Each retirement system shall establish procedures for making this election.

(c) A participant under Article 15 may irrevocably elect the benefits otherwise provided to a Tier 2 participant under Article 15. The election must be made within 30 days after becoming a participant. The retirement system under Article 15 shall establish procedures for making this election.

(d) "Final average salary" means the average monthly (or annual) salary obtained by dividing the total salary or earnings calculated under the Article applicable to the member or participant during the last 120 months (or 10 years) of service in which the total salary or earnings calculated under the applicable Article was the highest by the number of months (or years) of service in that period. For the purposes of a person who first becomes a member or participant of any retirement system to which this Section applies on or after 6 months after the effective date of this amendatory Act of the 100th General Assembly, in this Code, "final average salary" shall be substituted for "final average compensation" in Article 14.

(e) Beginning 6 months after the effective date of this amendatory Act of the 100th General Assembly, for all purposes under this Code (including without limitation the calculation of benefits and employee contributions), the annual earnings, salary, or wages (based on the plan year) of a member or participant to whom this Section applies shall not at any time exceed the federal Social Security Wage Base then in effect.

(f) A member or participant is entitled to a retirement annuity upon written application if he or she has attained the normal retirement age determined by the Social Security Administration for that member or participant's year of birth, but no earlier than 67 years of age, and has at least 10 years of service credit and is otherwise eligible under the requirements of the applicable Article.

(g) The amount of the retirement annuity to which a member or participant is entitled shall be computed by multiplying 1.25% for each year of service credit by his or her final average salary.

(h) Any retirement annuity or supplemental annuity shall be subject to annual increases on the first anniversary of the annuity start date. Each annual increase shall be one-half the annual unadjusted percentage increase (but not less than zero) in the consumer price index-w for the 12 months ending with the September preceding each November 1 of the originally granted retirement annuity. If the annual unadjusted percentage change in the consumer price index-w for the 12 months ending with the September preceding each November 1 is zero or there is a decrease, then the annuity shall not be increased.

For the purposes of this Section, "consumer price index-w" means the index published by the Bureau of Labor Statistics of the United States Department of Labor that measures the average change in prices of goods and services purchased by Urban Wage Earners and Clerical Workers, United States city average, all items, 1982-84 = 100. The new amount resulting from each annual adjustment shall be determined by the Public Pension Division of the Department of Insurance and made available to the boards of the retirement systems and pension funds by November 1 of each year.

(i) The initial survivor's or widow's annuity of an otherwise eligible survivor or widow of a retired member or participant who first became a member or participant on or after 6 months after the effective date of this amendatory Act of the 100th General Assembly shall be in the amount of 66 2/3% of the retired member's or participant's retirement annuity at the date of death. In the case of the death of a member or participant who has not retired and who first became a member or participant on or after 6 months after the effective date of this amendatory Act of the 100th General Assembly, eligibility for a survivor's or widow's annuity shall be determined by the applicable Article of this Code. The benefit shall be 66 2/3% of the earned annuity without a reduction due to age. A child's annuity of an otherwise eligible child shall be in the amount prescribed under each Article if applicable.

(j) In lieu of any other employee contributions, except for the contribution to the defined contribution plan under subsection (k) of this Section, each employee shall contribute 6.2% of his her or salary to the retirement system. However, the employee contribution under this subsection shall not exceed the amount of the normal cost of the benefits under this Section (except for the defined contribution plan under subsection (k) of this Section), expressed as a percentage of payroll and determined on or before November 1 of each year by the board of trustees of the retirement system. If the board of trustees of the retirement system determines that the 6.2% employee contribution rate exceeds the normal cost of the benefits under this Section (except for the defined contribution plan under subsection (k) of this Section), then on or

before December 1 of that year, the board of trustees shall certify the amount of the normal cost of the benefits under this Section (except for the defined contribution plan under subsection (k) of this Section), expressed as a percentage of payroll, to the State Actuary and the Commission on Government Forecasting and Accountability, and the employee contribution under this subsection shall be reduced to that amount beginning January 1 of the following year. Thereafter, if the normal cost of the benefits under this Section (except for the defined contribution plan under subsection (k) of this Section), expressed as a percentage of payroll and determined on or before November 1 of each year by the board of trustees of the retirement system, exceeds 6.2% of salary, then on or before December 1 of that year, the board of trustees shall certify the normal cost to the State Actuary and the Commission on Government Forecasting and Accountability, and the employee contributions shall revert back to 6.2% of salary beginning January 1 of the following year.

(k) No later than 5 months after the effective date of this amendatory Act of the 100th General Assembly, each retirement system under Article 14, 15, or 16 shall prepare and implement a defined contribution plan for members or participants who are subject to this Section. The defined contribution plan developed under this subsection shall be a plan that aggregates employer and employee contributions in individual participant accounts which, after meeting any other requirements, are used for payouts after retirement in accordance with this subsection and any other applicable laws.

(1) Each member or participant shall contribute a minimum of 4% of his or her salary to the defined contribution plan.

(2) For each participant in the defined contribution plan who has been employed with the same employer for at least one year, employer contributions shall be paid into that participant's accounts at a rate expressed as a percentage of salary. This rate may be set for individual employees, but shall be no higher than 6% of salary and shall be no lower than 2% of salary.

(3) Employer contributions shall vest when those contributions are paid into a member's or participant's account.

(4) The defined contribution plan shall provide a variety of options for investments. These options shall include investments handled by the Illinois State Board of Investment as well as private sector investment options.

(5) The defined contribution plan shall provide a variety of options for payouts to retirees and their survivors.

(6) To the extent authorized under federal law and as authorized by the retirement system, the defined contribution plan shall allow former participants in the plan to transfer or roll over employee and employer contributions, and the earnings thereon, into other qualified retirement plans.

(7) Each retirement system shall reduce the employee contributions credited to the member's defined contribution plan account by an amount determined by that retirement system to cover the cost of offering the benefits under this subsection and any applicable administrative fees.

(8) No person shall begin participating in the defined contribution plan until it has attained qualified plan status and received all necessary approvals from the U.S. Internal Revenue Service.

(l) By accepting the benefits under this Section, a member or participant acknowledges and consents that benefits once earned may not be diminished, but that future benefits may be modified, including, but not limited to, changes in the retirement age at which a member or participant becomes eligible to receive future benefits, changes in the amount of the automatic annual increase for those future benefits, or the amount of the retirement annuity. Any increase in benefits under this Section applicable to persons under Article 15 or 16 does not apply unless it is approved by resolution or ordinance of the governing body of the unit of local government with regard to the members or participants under that unit of local government.

(m) In the case of a conflict between the provisions of this Section and any other provision of this Code, the provisions of this Section shall control.

(40 ILCS 5/1-162 new)

Sec. 1-162. Optional benefits for certain Tier 2 members of pension funds under Articles 7, 8, 9, 10, 11, 12, 13, and 17.

(a) As used in this Section:

"Affected pension fund" means a pension fund established under Article 7, 8, 9, 10, 11, 12, 13, or 17 that the governing body of the unit of local government has designated as an affected pension fund by adoption of a resolution or ordinance.

"Resolution or ordinance date" means the date on which the governing body of the unit of local government designates a pension fund under Article 7, 8, 9, 10, 11, 12, 13, or 17 as an affected pension fund by adoption of a resolution or ordinance.

(b) Notwithstanding any other provision of this Code to the contrary, the provisions of this Section apply to a person who first becomes a member or a participant in an affected pension fund on or after 6 months after the resolution or ordinance date and who does not make the election under subsection (c). The provisions of this Section do not apply to a sheriff's law enforcement employee under Article 7.

(c) In lieu of the benefits provided under this Section, a member or participant may irrevocably elect the benefits under Section 1-160 and the benefits otherwise applicable to that member or participant. The election must be made within 30 days after becoming a member or participant. Each affected pension fund shall establish procedures for making this election.

(d) "Final average salary" means the average monthly (or annual) salary obtained by dividing the total salary or earnings calculated under the Article applicable to the member or participant during the last 120 months (or 10 years) of service in which the total salary or earnings calculated under the applicable Article was the highest by the number of months (or years) of service in that period. For the purposes of a person who first becomes a member or participant of an affected pension fund on or after 6 months after the ordinance or resolution date, in this Code, "final average salary" shall be substituted for the following:

(1) In Article 7, (except for service as sheriff's law enforcement employees), "final rate of earnings".

(2) In Articles 8, 9, 10, 11, and 12, "highest average annual salary for any 4 consecutive years within the last 10 years of service immediately preceding the date of withdrawal".

(3) In Article 13, "average final salary".

(4) In Article 17, "average salary".

(e) Beginning 6 months after the resolution or ordinance date, for all purposes under this Code (including without limitation the calculation of benefits and employee contributions), the annual earnings, salary, or wages (based on the plan year) of a member or participant to whom this Section applies shall not at any time exceed the federal Social Security Wage Base then in effect.

(f) A member or participant is entitled to a retirement annuity upon written application if he or she has attained the normal retirement age determined by the Social Security Administration for that member or participant's year of birth, but no earlier than 67 years of age, and has at least 10 years of service credit and is otherwise eligible under the requirements of the applicable Article.

(g) The amount of the retirement annuity to which a member or participant is entitled shall be computed by multiplying 1.25% for each year of service credit by his or her final average salary.

(h) Any retirement annuity or supplemental annuity shall be subject to annual increases on the first anniversary of the annuity start date. Each annual increase shall be one-half the annual unadjusted percentage increase (but not less than zero) in the consumer price index-w for the 12 months ending with the September preceding each November 1 of the originally granted retirement annuity. If the annual unadjusted percentage change in the consumer price index-w for the 12 months ending with the September preceding each November 1 is zero or there is a decrease, then the annuity shall not be increased.

For the purposes of this Section, "consumer price index-w" means the index published by the Bureau of Labor Statistics of the United States Department of Labor that measures the average change in prices of goods and services purchased by Urban Wage Earners and Clerical Workers, United States city average, all items, 1982-84 = 100. The new amount resulting from each annual adjustment shall be determined by the Public Pension Division of the Department of Insurance and made available to the boards of the retirement systems and pension funds by November 1 of each year.

(i) The initial survivor's or widow's annuity of an otherwise eligible survivor or widow of a retired member or participant who first became a member or participant on or after 6 months after the resolution or ordinance date shall be in the amount of 66 2/3% of the retired member's or participant's retirement annuity at the date of death. In the case of the death of a member or participant who has not retired and who first became a member or participant on or after 6 months after the resolution or ordinance date, eligibility for a survivor's or widow's annuity shall be determined by the applicable Article of this Code. The benefit shall be 66 2/3% of the earned annuity without a reduction due to age. A child's annuity of an otherwise eligible child shall be in the amount prescribed under each Article if applicable.

(j) In lieu of any other employee contributions, except for the contribution to the defined contribution plan under subsection (k) of this Section, each employee shall contribute 6.2% of his her or salary to the affected pension fund. However, the employee contribution under this subsection shall not exceed the amount of the normal cost of the benefits under this Section (except for the defined contribution plan under subsection (k) of this Section), expressed as a percentage of payroll and determined on or before November 1 of each year by the board of trustees of the affected pension fund. If the board of trustees of the affected pension fund determines that the 6.2% employee contribution rate exceeds the normal cost of the benefits under this Section (except for the defined contribution plan under subsection (k) of this Section), then on or before December 1 of that year, the board of trustees shall certify the amount of the normal cost of the benefits under this Section (except for the defined contribution plan under subsection (k) of this Section),

expressed as a percentage of payroll, to the State Actuary and the Commission on Government Forecasting and Accountability, and the employee contribution under this subsection shall be reduced to that amount beginning January 1 of the following year. Thereafter, if the normal cost of the benefits under this Section (except for the defined contribution plan under subsection (k) of this Section), expressed as a percentage of payroll and determined on or before November 1 of each year by the board of trustees of the affected pension fund, exceeds 6.2% of salary, then on or before December 1 of that year, the board of trustees shall certify the normal cost to the State Actuary and the Commission on Government Forecasting and Accountability, and the employee contributions shall revert back to 6.2% of salary beginning January 1 of the following year.

(k) No later than 5 months after the resolution or ordinance date, an affected pension fund shall prepare and implement a defined contribution plan for members or participants who are subject to this Section. The defined contribution plan developed under this subsection shall be a plan that aggregates employer and employee contributions in individual participant accounts which, after meeting any other requirements, are used for payouts after retirement in accordance with this subsection and any other applicable laws.

(1) Each member or participant shall contribute a minimum of 4% of his or her salary to the defined contribution plan.

(2) For each participant in the defined contribution plan who has been employed with the same employer for at least one year, employer contributions shall be paid into that participant's accounts at a rate expressed as a percentage of salary. This rate may be set for individual employees, but shall be no higher than 6% of salary and shall be no lower than 2% of salary.

(3) Employer contributions shall vest when those contributions are paid into a member's or participant's account.

(4) The defined contribution plan shall provide a variety of options for investments. These options shall include investments handled by the Illinois State Board of Investment as well as private sector investment options.

(5) The defined contribution plan shall provide a variety of options for payouts to retirees and their survivors.

(6) To the extent authorized under federal law and as authorized by the affected pension fund, the defined contribution plan shall allow former participants in the plan to transfer or roll over employee and employer contributions, and the earnings thereon, into other qualified retirement plans.

(7) Each affected pension fund shall reduce the employee contributions credited to the member's defined contribution plan account by an amount determined by that affected pension fund to cover the cost of offering the benefits under this subsection and any applicable administrative fees.

(8) No person shall begin participating in the defined contribution plan until it has attained qualified plan status and received all necessary approvals from the U.S. Internal Revenue Service.

(l) By accepting the benefits under this Section, a member or participant acknowledges and consents that benefits once earned may not be diminished, but that future benefits may be modified, including, but not limited to, changes in the retirement age at which a member or participant becomes eligible to receive future benefits, changes in the amount of the automatic annual increase for those future benefits, or the amount of the retirement annuity. Any increase in benefits under this Section does not apply unless it is approved by resolution or ordinance of the governing body of the unit of local government with regard to the members or participants under that unit of local government.

(m) In the case of a conflict between the provisions of this Section and any other provision of this Code, the provisions of this Section shall control.

(40 ILCS 5/2-101) (from Ch. 108 1/2, par. 2-101)

Sec. 2-101. Creation of system. A retirement system is created to provide retirement annuities, survivor's annuities and other benefits for certain members of the General Assembly, certain elected state officials, and their beneficiaries.

The system shall be known as the "General Assembly Retirement System". All its funds and property shall be a trust separate from all other entities, maintained for the purpose of securing payment of annuities and benefits under this Article.

Participation in the retirement system created under this Article is restricted to persons who became participants before the effective date of this amendatory Act of the 100th General Assembly. Beginning on that date, the System shall not accept any new participants.

(Source: P.A. 83-1440.)

(40 ILCS 5/2-105) (from Ch. 108 1/2, par. 2-105)

Sec. 2-105. Member. "Member": Members of the General Assembly of this State, including persons who enter military service while a member of the General Assembly, and any person serving as Governor,

Lieutenant Governor, Secretary of State, Treasurer, Comptroller, or Attorney General for the period of service in such office.

Any person who has served for 10 or more years as Clerk or Assistant Clerk of the House of Representatives, Secretary or Assistant Secretary of the Senate, or any combination thereof, may elect to become a member of this system while thenceforth engaged in such service by filing a written election with the board. Any person so electing shall be deemed an active member of the General Assembly for the purpose of validating and transferring any service credits earned under any of the funds and systems established under Articles 3 through 18 of this Code.

However, notwithstanding any other provision of this Article, a person shall not be deemed a member for the purposes of this Article unless he or she became a participant of the System before the effective date of this amendatory Act of the 100th General Assembly.

(Source: P.A. 85-1008.)

(40 ILCS 5/2-105.3 new)

Sec. 2-105.3. Tier 1 employee. "Tier 1 employee": A participant who first became a participant before January 1, 2011.

(40 ILCS 5/2-107) (from Ch. 108 1/2, par. 2-107)

Sec. 2-107. Participant. "Participant": Any member who elects to participate; and any former member who elects to continue participation under Section 2-117.1, for the duration of such continued participation. However, notwithstanding any other provision of this Article, a person shall not be deemed a participant for the purposes of this Article unless he or she became a participant of the System before the effective date of this amendatory Act of the 100th General Assembly.

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

(40 ILCS 5/2-107.9 new)

Sec. 2-107.9. Future increase in income. "Future increase in income" means an increase to a Tier 1 employee's base pay that is offered to the Tier 1 employee for service under this Article after June 30, 2018 that qualifies as "salary", as defined in Section 2-108, or would qualify as "salary" but for the fact that it was offered to and accepted by the Tier 1 employee under the condition set forth in subsection (c) of Section 2-110.3.

(40 ILCS 5/2-107.10 new)

Sec. 2-107.10. Base pay. As used in Section 2-107.9 of this Code, "base pay" means the Tier 1 employee's annualized rate of salary as of June 30, 2018. For a person returning to active service as a Tier 1 employee after June 30, 2018, however, "base pay" means the employee's annualized rate of salary as of the employee's last date of service prior to July 1, 2018. The System shall calculate the base pay of each Tier 1 employee pursuant to this Section.

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

(Text of Section WITHOUT the changes made by P.A. 98-599, which has been held unconstitutional)

Sec. 2-108. Salary. "Salary":

(1) For members of the General Assembly, the total compensation paid to the member by the State for one year of service, including the additional amounts, if any, paid to the member as an officer pursuant to Section 1 of "An Act in relation to the compensation and emoluments of the members of the General Assembly", approved December 6, 1907, as now or hereafter amended.

(2) For the State executive officers specified in Section 2-105, the total compensation paid to the member for one year of service.

(3) For members of the System who are participants under Section 2-117.1, or who are serving as Clerk or Assistant Clerk of the House of Representatives or Secretary or Assistant Secretary of the Senate, the total compensation paid to the member for one year of service, but not to exceed the salary of the highest salaried officer of the General Assembly.

However, in the event that federal law results in any participant receiving imputed income based on the value of group term life insurance provided by the State, such imputed income shall not be included in salary for the purposes of this Article.

Notwithstanding any other provision of this Section, "salary" does not include any future increase in income that is offered for service to a Tier 1 employee under this Article pursuant to the condition set forth in subsection (c) of Section 2-110.3 and accepted under that condition by a Tier 1 employee who has made the election under paragraph (2) of subsection (a) of Section 2-110.3.

Notwithstanding any other provision of this Section, "salary" does not include any consideration payment made to a Tier 1 employee.

(Source: P.A. 86-27; 86-273; 86-1028; 86-1488.)

(40 ILCS 5/2-110.3 new)

Sec. 2-110.3. Election by Tier 1 employees.

[February 28, 2017]



(a) Each active Tier 1 employee shall make an irrevocable election either:

(1) to agree to delay his or her eligibility for automatic annual increases in retirement annuity as provided in subsection (a-1) of Section 2-119.1 and to have the amount of the automatic annual increases in his or her retirement annuity and survivor's annuity that are otherwise provided for in this Article calculated, instead, as provided in subsection (a-1) of Section 2-119.1; or

(2) to not agree to paragraph (1) of this subsection.

The election required under this subsection (a) shall be made by each active Tier 1 employee no earlier than January 1, 2018 and no later than March 31, 2018, except that a person who returns to active service as a Tier 1 employee under this Article on or after January 1, 2018 and has not yet made an election under this Section must make the election under this subsection (a) within 60 days after returning to active service as a Tier 1 employee.

If a Tier 1 employee fails for any reason to make a required election under this subsection within the time specified, then the employee shall be deemed to have made the election under paragraph (2) of this subsection.

(a-5) If this Section is enjoined or stayed by an Illinois court or a court of competent jurisdiction pending the entry of a final and unappealable decision, and this Section is determined to be constitutional or otherwise valid by a final unappealable decision of an Illinois court or a court of competent jurisdiction, then the election procedure set forth in subsection (a) of this Section shall commence on the 180th calendar day after the date of the issuance of the final unappealable decision and shall conclude at the end of the 270th calendar day after that date.

(a-10) All elections under subsection (a) that are made or deemed to be made before July 1, 2018 shall take effect on July 1, 2018. Elections that are made or deemed to be made on or after July 1, 2018 shall take effect on the first day of the month following the month in which the election is made or deemed to be made.

(b) As adequate and legal consideration provided under this amendatory Act of the 100th General Assembly for making an election under paragraph (1) of subsection (a) of this Section, the State of Illinois shall be expressly and irrevocably prohibited from offering any future increases in income to a Tier 1 employee who has made an election under paragraph (1) of subsection (a) of this Section on the condition of not constituting salary under Section 2-108.

As adequate and legal consideration provided under this amendatory Act of the 100th General Assembly for making an election under paragraph (1) of subsection (a) of this Section, each Tier 1 employee who has made an election under paragraph (1) of subsection (a) of this Section shall receive a consideration payment equal to 10% of the contributions made by or on behalf of the employee under Section 2-126 before the effective date of that election. The State Comptroller shall pay the consideration payment to the Tier 1 employee out of funds appropriated for that purpose under Section 1.9 of the State Pension Funds Continuing Appropriation Act. The System shall calculate the amount of each consideration payment and, by July 1, 2018, shall certify to the State Comptroller the amount of the consideration payment, together with the name, address, and any other available payment information of the Tier 1 employee as found in the records of the System. The System shall make additional calculations and certifications of consideration payments to the State Comptroller as the System deems necessary.

(c) A Tier 1 employee who makes the election under paragraph (2) of subsection (a) of this Section shall not be subject to paragraph (1) of subsection (a) of this Section. However, each future increase in income offered for service as a member under this Article to a Tier 1 employee who has made the election under paragraph (2) of subsection (a) of this Section shall be offered expressly and irrevocably on the condition of not constituting salary under Section 2-108 and that the Tier 1 employee's acceptance of the offered future increase in income shall constitute his or her agreement to that condition.

(d) The System shall make a good faith effort to contact each Tier 1 employee subject to this Section. The System shall mail information describing the required election to each Tier 1 employee by United States Postal Service mail to his or her last known address on file with the System. If the Tier 1 employee is not responsive to other means of contact, it is sufficient for the System to publish the details of any required elections on its website or to publish those details in a regularly published newsletter or other existing public forum.

Tier 1 employees who are subject to this Section shall be provided with an election packet containing information regarding their options, as well as the forms necessary to make the required election. Upon request, the System shall offer Tier 1 employees an opportunity to receive information from the System before making the required election. The information may be provided through video materials, group presentations, individual consultation with a member or authorized representative of the System in person or by telephone or other electronic means, or any combination of those methods. The System shall not

provide advice or counseling with respect to which election a Tier 1 employee should make or specific to the legal or tax circumstances of or consequences to the Tier 1 employee.

The System shall inform Tier 1 employees in the election packet required under this subsection that the Tier 1 employee may also wish to obtain information and counsel relating to the election required under this Section from any other available source, including, but not limited to, labor organizations and private counsel.

In no event shall the System, its staff, or the Board be held liable for any information given to a member regarding the elections under this Section. The System shall coordinate with the Illinois Department of Central Management Services and each other retirement system administering an election in accordance with this amendatory Act of the 100th General Assembly to provide information concerning the impact of the election set forth in this Section.

(e) Notwithstanding any other provision of law, each future increase in income offered by the State of Illinois for service as a member must be offered expressly and irrevocably on the condition of not constituting "salary" under Section 2-108 to any Tier 1 employee who has made an election under paragraph (2) of subsection (a) of this Section. The offer shall also provide that the Tier 1 employee's acceptance of the offered future increase in income shall constitute his or her agreement to the condition set forth in this subsection.

For purposes of legislative intent, the condition set forth in this subsection shall be construed in a manner that ensures that the condition is not violated or circumvented through any contrivance of any kind.

(f) A member's election under this Section is not a prohibited election under subdivision (j)(1) of Section 1-119 of this Code.

(g) No provision of this Section shall be interpreted in a way that would cause the System to cease to be a qualified plan under Section 401(a) of the Internal Revenue Code of 1986. The provisions of this Section shall be subject to and implemented in a manner that complies with Section 11 of Article IV of the Illinois Constitution.

(h) If an election created by this amendatory Act in any other Article of this Code or any change deriving from that election is determined to be unconstitutional or otherwise invalid by a final unappealable decision of an Illinois court or a court of competent jurisdiction, the invalidity of that provision shall not in any way affect the validity of this Section or the changes deriving from the election required under this Section.

(40 ILCS 5/2-119.1) (from Ch. 108 1/2, par. 2-119.1)

(Text of Section WITHOUT the changes made by P.A. 98-599, which has been held unconstitutional) Sec. 2-119.1. Automatic increase in retirement annuity.

(a) Except as provided in subsection (a-1), a A participant who retires after June 30, 1967, and who has not received an initial increase under this Section before the effective date of this amendatory Act of 1991, shall, in January or July next following the first anniversary of retirement, whichever occurs first, and in the same month of each year thereafter, but in no event prior to age 60, have the amount of the originally granted retirement annuity increased as follows: for each year through 1971, 1 1/2%; for each year from 1972 through 1979, 2%; and for 1980 and each year thereafter, 3%. Annuitants who have received an initial increase under this subsection prior to the effective date of this amendatory Act of 1991 shall continue to receive their annual increases in the same month as the initial increase.

(a-1) Notwithstanding any other provision of this Article, for a Tier 1 employee who made the election under paragraph (1) of subsection (a) of Section 2-110.3:

(1) The initial increase in retirement annuity under this Section shall occur on the January 1 occurring either on or after the attainment of age 67 or the fifth anniversary of the annuity start date, whichever is earlier.

(2) The amount of each automatic annual increase in retirement annuity or survivor's annuity occurring on or after the effective date of that election shall be calculated as a percentage of the originally granted retirement annuity or survivor's annuity, equal to 3% or one-half the annual unadjusted percentage increase (but not less than zero) in the consumer price index-u for the 12 months ending with the September preceding each November 1, whichever is less. If the annual unadjusted percentage change in the consumer price index-u for the 12 months ending with the September preceding each November 1 is zero or there is a decrease, then the annuity shall not be increased.

For the purposes of this Section, "consumer price index-u" means the index published by the Bureau of Labor Statistics of the United States Department of Labor that measures the average change in prices of goods and services purchased by all urban consumers, United States city average, all items, 1982-84 = 100. The new amount resulting from each annual adjustment shall be determined by the Public Pension Division of the Department of Insurance and made available to the board of the retirement system by November 1 of each year.

[February 28, 2017]

(b) Beginning January 1, 1990, for eligible participants who remain in service after attaining 20 years of creditable service, the 3% increases provided under subsection (a) shall begin to accrue on the January 1 next following the date upon which the participant (1) attains age 55, or (2) attains 20 years of creditable service, whichever occurs later, and shall continue to accrue while the participant remains in service; such increases shall become payable on January 1 or July 1, whichever occurs first, next following the first anniversary of retirement. For any person who has service credit in the System for the entire period from January 15, 1969 through December 31, 1992, regardless of the date of termination of service, the reference to age 55 in clause (1) of this subsection (b) shall be deemed to mean age 50.

This subsection (b) does not apply to any person who first becomes a member of the System after August 8, 2003 (the effective date of Public Act 93-494) ~~this amendatory Act of the 93rd General Assembly.~~

(b-5) Notwithstanding any other provision of this Article, a participant who first becomes a participant on or after January 1, 2011 (the effective date of Public Act 96-889) shall, in January or July next following the first anniversary of retirement, whichever occurs first, and in the same month of each year thereafter, but in no event prior to age 67, have the amount of the retirement annuity then being paid increased by 3% or the annual unadjusted percentage increase in the Consumer Price Index for All Urban Consumers as determined by the Public Pension Division of the Department of Insurance under subsection (a) of Section 2-108.1, whichever is less.

(c) The foregoing provisions relating to automatic increases are not applicable to a participant who retires before having made contributions (at the rate prescribed in Section 2-126) for automatic increases for less than the equivalent of one full year. However, in order to be eligible for the automatic increases, such a participant may make arrangements to pay to the system the amount required to bring the total contributions for the automatic increase to the equivalent of one year's contributions based upon his or her last salary.

(d) A participant who terminated service prior to July 1, 1967, with at least 14 years of service is entitled to an increase in retirement annuity beginning January, 1976, and to additional increases in January of each year thereafter.

The initial increase shall be 1 1/2% of the originally granted retirement annuity multiplied by the number of full years that the annuitant was in receipt of such annuity prior to January 1, 1972, plus 2% of the originally granted retirement annuity for each year after that date. The subsequent annual increases shall be at the rate of 2% of the originally granted retirement annuity for each year through 1979 and at the rate of 3% for 1980 and thereafter.

(e) Beginning January 1, 1990, and except as provided in subsection (a-1), all automatic annual increases payable under this Section shall be calculated as a percentage of the total annuity payable at the time of the increase, including previous increases granted under this Article.

(Source: P.A. 96-889, eff. 1-1-11; 96-1490, eff. 1-1-11.)

(40 ILCS 5/2-124) (from Ch. 108 1/2, par. 2-124)

(Text of Section WITHOUT the changes made by P.A. 98-599, which has been held unconstitutional) Sec. 2-124. Contributions by State.

(a) The State shall make contributions to the System by appropriations of amounts which, together with the contributions of participants, interest earned on investments, and other income will meet the cost of maintaining and administering the System on a 90% funded basis in accordance with actuarial recommendations.

(b) The Board shall determine the amount of State contributions required for each fiscal year on the basis of the actuarial tables and other assumptions adopted by the Board and the prescribed rate of interest, using the formula in subsection (c).

(c) For State fiscal years 2018 through 2045 (except as otherwise provided for fiscal year 2019), the minimum contribution to the System to be made by the State for each fiscal year shall be an amount determined by the System to be sufficient to bring the total assets of the System up to 90% of the total actuarial liabilities of the System by the end of State fiscal year 2045. In making these determinations, the required State contribution shall be calculated each year as a level percentage of total payroll, including payroll that is not deemed pensionable, but excluding payroll attributable to participants in the defined contribution plan under Section 2-165.1, over the years remaining to and including fiscal year 2045 and shall be determined under the projected unit credit actuarial cost method.

For State fiscal year 2019:

(1) The initial calculation and certification shall be based on the amount determined above.

(2) For purposes of the recertification due on or before May 1, 2018, the recalculation of the required State contribution for fiscal year 2019 shall take into account the effect on the System's liabilities of the elections made under Section 2-110.3.

(3) For purposes of the recertification due on or before October 1, 2018, the total required State contribution for fiscal year 2019 shall be reduced by the amount of the consideration payments made to Tier 1 employees who made the election under paragraph (1) of subsection (a) of Section 2-110.3.

Beginning in State fiscal year 2018, any increase or decrease in State contribution over the prior fiscal year due exclusively to changes in actuarial or investment assumptions adopted by the Board shall be included in the State contribution to the System, as a percentage of the applicable employee payroll, and shall be increased in equal annual increments so that by the State fiscal year occurring 5 years after the adoption of the actuarial or investment assumptions, the State is contributing at the rate otherwise required under this Section.

If Section 2-110.3 is determined to be unconstitutional or otherwise invalid by a final unappealable decision of an Illinois court or a court of competent jurisdiction, then the changes made to this Section by this amendatory Act of the 100th General Assembly shall not take effect and are repealed by operation of law.

For State fiscal years 2012 through 2017 2045, the minimum contribution to the System to be made by the State for each fiscal year shall be an amount determined by the System to be sufficient to bring the total assets of the System up to 90% of the total actuarial liabilities of the System by the end of State fiscal year 2045. In making these determinations, the required State contribution shall be calculated each year as a level percentage of payroll over the years remaining to and including fiscal year 2045 and shall be determined under the projected unit credit actuarial cost method.

For State fiscal years 1996 through 2005, the State contribution to the System, as a percentage of the applicable employee payroll, shall be increased in equal annual increments so that by State fiscal year 2011, the State is contributing at the rate required under this Section.

Notwithstanding any other provision of this Article, the total required State contribution for State fiscal year 2006 is \$4,157,000.

Notwithstanding any other provision of this Article, the total required State contribution for State fiscal year 2007 is \$5,220,300.

For each of State fiscal years 2008 through 2009, the State contribution to the System, as a percentage of the applicable employee payroll, shall be increased in equal annual increments from the required State contribution for State fiscal year 2007, so that by State fiscal year 2011, the State is contributing at the rate otherwise required under this Section.

Notwithstanding any other provision of this Article, the total required State contribution for State fiscal year 2010 is \$10,454,000 and shall be made from the proceeds of bonds sold in fiscal year 2010 pursuant to Section 7.2 of the General Obligation Bond Act, less (i) the pro rata share of bond sale expenses determined by the System's share of total bond proceeds, (ii) any amounts received from the General Revenue Fund in fiscal year 2010, and (iii) any reduction in bond proceeds due to the issuance of discounted bonds, if applicable.

Notwithstanding any other provision of this Article, the total required State contribution for State fiscal year 2011 is the amount recertified by the System on or before April 1, 2011 pursuant to Section 2-134 and shall be made from the proceeds of bonds sold in fiscal year 2011 pursuant to Section 7.2 of the General Obligation Bond Act, less (i) the pro rata share of bond sale expenses determined by the System's share of total bond proceeds, (ii) any amounts received from the General Revenue Fund in fiscal year 2011, and (iii) any reduction in bond proceeds due to the issuance of discounted bonds, if applicable.

Beginning in State fiscal year 2046, the minimum State contribution for each fiscal year shall be the amount needed to maintain the total assets of the System at 90% of the total actuarial liabilities of the System.

Amounts received by the System pursuant to Section 25 of the Budget Stabilization Act or Section 8.12 of the State Finance Act in any fiscal year do not reduce and do not constitute payment of any portion of the minimum State contribution required under this Article in that fiscal year. Such amounts shall not reduce, and shall not be included in the calculation of, the required State contributions under this Article in any future year until the System has reached a funding ratio of at least 90%. A reference in this Article to the "required State contribution" or any substantially similar term does not include or apply to any amounts payable to the System under Section 25 of the Budget Stabilization Act.

Notwithstanding any other provision of this Section, the required State contribution for State fiscal year 2005 and for fiscal year 2008 and each fiscal year thereafter, as calculated under this Section and certified under Section 2-134, shall not exceed an amount equal to (i) the amount of the required State contribution that would have been calculated under this Section for that fiscal year if the System had not received any payments under subsection (d) of Section 7.2 of the General Obligation Bond Act, minus (ii) the portion of the State's total debt service payments for that fiscal year on the bonds issued in fiscal year 2003 for the purposes of that Section 7.2, as determined and certified by the Comptroller, that is the same as the

System's portion of the total moneys distributed under subsection (d) of Section 7.2 of the General Obligation Bond Act. In determining this maximum for State fiscal years 2008 through 2010, however, the amount referred to in item (i) shall be increased, as a percentage of the applicable employee payroll, in equal increments calculated from the sum of the required State contribution for State fiscal year 2007 plus the applicable portion of the State's total debt service payments for fiscal year 2007 on the bonds issued in fiscal year 2003 for the purposes of Section 7.2 of the General Obligation Bond Act, so that, by State fiscal year 2011, the State is contributing at the rate otherwise required under this Section.

(d) For purposes of determining the required State contribution to the System, the value of the System's assets shall be equal to the actuarial value of the System's assets, which shall be calculated as follows:

As of June 30, 2008, the actuarial value of the System's assets shall be equal to the market value of the assets as of that date. In determining the actuarial value of the System's assets for fiscal years after June 30, 2008, any actuarial gains or losses from investment return incurred in a fiscal year shall be recognized in equal annual amounts over the 5-year period following that fiscal year.

(e) For purposes of determining the required State contribution to the system for a particular year, the actuarial value of assets shall be assumed to earn a rate of return equal to the system's actuarially assumed rate of return.

(Source: P.A. 96-43, eff. 7-15-09; 96-1497, eff. 1-14-11; 96-1511, eff. 1-27-11; 96-1554, eff. 3-18-11; 97-813, eff. 7-13-12.)

(40 ILCS 5/2-126) (from Ch. 108 1/2, par. 2-126)

(Text of Section WITHOUT the changes made by P.A. 98-599, which has been held unconstitutional) Sec. 2-126. Contributions by participants.

(a) Each participant shall contribute toward the cost of his or her retirement annuity a percentage of each payment of salary received by him or her for service as a member as follows: for service between October 31, 1947 and January 1, 1959, 5%; for service between January 1, 1959 and June 30, 1969, 6%; for service between July 1, 1969 and January 10, 1973, 6 1/2%; for service after January 10, 1973, 7%; for service after December 31, 1981, 8 1/2%.

(b) Beginning August 2, 1949, each male participant, and from July 1, 1971, each female participant shall contribute towards the cost of the survivor's annuity 2% of salary.

A participant who has no eligible survivor's annuity beneficiary may elect to cease making contributions for survivor's annuity under this subsection. A survivor's annuity shall not be payable upon the death of a person who has made this election, unless prior to that death the election has been revoked and the amount of the contributions that would have been paid under this subsection in the absence of the election is paid to the System, together with interest at the rate of 4% per year from the date the contributions would have been made to the date of payment.

(c) Beginning July 1, 1967, each participant shall contribute 1% of salary towards the cost of automatic increase in annuity provided in Section 2-119.1. These contributions shall be made concurrently with contributions for retirement annuity purposes.

(d) In addition, each participant serving as an officer of the General Assembly shall contribute, for the same purposes and at the same rates as are required of a regular participant, on each additional payment received as an officer. If the participant serves as an officer for at least 2 but less than 4 years, he or she shall contribute an amount equal to the amount that would have been contributed had the participant served as an officer for 4 years. Persons who serve as officers in the 87th General Assembly but cannot receive the additional payment to officers because of the ban on increases in salary during their terms may nonetheless make contributions based on those additional payments for the purpose of having the additional payments included in their highest salary for annuity purposes; however, persons electing to make these additional contributions must also pay an amount representing the corresponding employer contributions, as calculated by the System.

(e) Notwithstanding any other provision of this Article, the required contribution of a participant who first becomes a participant on or after January 1, 2011 shall not exceed the contribution that would be due under this Article if that participant's highest salary for annuity purposes were \$106,800, plus any increases in that amount under Section 2-108.1.

(f) Beginning July 1, 2018 or the effective date of the Tier 1 employee's election under paragraph (1) of subsection (a) of Section 2-110.3, whichever is later, in lieu of the contributions otherwise required under this Section, each Tier 1 employee who made the election under paragraph (1) of subsection (a) of Section 2-110.3 shall contribute 8.5% of each payment of salary toward the cost of his or her retirement annuity and 1.85% of each payment of salary toward the cost of the survivor's annuity.

(g) Notwithstanding subsection (f) of this Section, beginning July 1, 2018 or the effective date of the Tier 1 employee's election under paragraph (1) of subsection (a) of Section 2-110.3, whichever is later, in lieu of the contributions otherwise required under this Section, each Tier 1 employee who made the

election under paragraph (1) of subsection (a) of Section 2-110.3 and has elected to cease making contributions for survivor's annuity under subsection (b) of this Section, shall contribute 8.55% of each payment of salary toward the cost of his or her retirement annuity.

(Source: P.A. 96-1490, eff. 1-1-11.)

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

(Text of Section WITHOUT the changes made by P.A. 98-599, which has been held unconstitutional) Sec. 2-134. To certify required State contributions and submit vouchers.

(a) The Board shall certify to the Governor on or before December 15 of each year until December 15, 2011 the amount of the required State contribution to the System for the next fiscal year and shall specifically identify the System's projected State normal cost for that fiscal year. The certification shall include a copy of the actuarial recommendations upon which it is based and shall specifically identify the System's projected State normal cost for that fiscal year.

On or before November 1 of each year, beginning November 1, 2012, the Board shall submit to the State Actuary, the Governor, and the General Assembly a proposed certification of the amount of the required State contribution to the System for the next fiscal year, along with all of the actuarial assumptions, calculations, and data upon which that proposed certification is based. On or before January 1 of each year beginning January 1, 2013, the State Actuary shall issue a preliminary report concerning the proposed certification and identifying, if necessary, recommended changes in actuarial assumptions that the Board must consider before finalizing its certification of the required State contributions. On or before January 15, 2013 and every January 15 thereafter, the Board shall certify to the Governor and the General Assembly the amount of the required State contribution for the next fiscal year. The Board's certification must note any deviations from the State Actuary's recommended changes, the reason or reasons for not following the State Actuary's recommended changes, and the fiscal impact of not following the State Actuary's recommended changes on the required State contribution.

On or before May 1, 2004, the Board shall recalculate and recertify to the Governor the amount of the required State contribution to the System for State fiscal year 2005, taking into account the amounts appropriated to and received by the System under subsection (d) of Section 7.2 of the General Obligation Bond Act.

On or before July 1, 2005, the Board shall recalculate and recertify to the Governor the amount of the required State contribution to the System for State fiscal year 2006, taking into account the changes in required State contributions made by this amendatory Act of the 94th General Assembly.

On or before April 1, 2011, the Board shall recalculate and recertify to the Governor the amount of the required State contribution to the System for State fiscal year 2011, applying the changes made by Public Act 96-889 to the System's assets and liabilities as of June 30, 2009 as though Public Act 96-889 was approved on that date.

As soon as practical after the effective date of this amendatory Act of the 100th General Assembly, the Board shall recalculate and recertify to the State Actuary, the Governor, and the General Assembly the amount of the State contribution to the System for State fiscal year 2018, taking into account the changes in required State contributions made by this amendatory Act of the 100th General Assembly. The State Actuary shall review the assumptions and valuations underlying the Board's revised certification and issue a preliminary report concerning the proposed recertification and identifying, if necessary, recommended changes in actuarial assumptions that the Board must consider before finalizing its certification of the required State contributions. The Board's final certification must note any deviations from the State Actuary's recommended changes, the reason or reasons for not following the State Actuary's recommended changes, and the fiscal impact of not following the State Actuary's recommended changes on the required State contribution.

On or before May 1, 2018, the Board shall recalculate and recertify to the Governor and the General Assembly the amount of the required State contribution to the System for State fiscal year 2019, taking into account the effect on the System's liabilities of the elections made under Section 2-110.3.

On or before October 1, 2018, the Board shall recalculate and recertify to the Governor and the General Assembly the amount of the required State contribution to the System for State fiscal year 2019, taking into account the reduction specified under item (3) of subsection (c) of Section 2-124.

(b) Beginning in State fiscal year 1996, on or as soon as possible after the 15th day of each month the Board shall submit vouchers for payment of State contributions to the System, in a total monthly amount of one-twelfth of the required annual State contribution certified under subsection (a). From the effective date of this amendatory Act of the 93rd General Assembly through June 30, 2004, the Board shall not submit vouchers for the remainder of fiscal year 2004 in excess of the fiscal year 2004 certified contribution amount determined under this Section after taking into consideration the transfer to the System under subsection (d) of Section 6z-61 of the State Finance Act. These vouchers shall be paid by

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the State Comptroller and Treasurer by warrants drawn on the funds appropriated to the System for that fiscal year. If in any month the amount remaining unexpended from all other appropriations to the System for the applicable fiscal year (including the appropriations to the System under Section 8.12 of the State Finance Act and Section 1 of the State Pension Funds Continuing Appropriation Act) is less than the amount lawfully vouchered under this Section, the difference shall be paid from the General Revenue Fund under the continuing appropriation authority provided in Section 1.1 of the State Pension Funds Continuing Appropriation Act.

(c) The full amount of any annual appropriation for the System for State fiscal year 1995 shall be transferred and made available to the System at the beginning of that fiscal year at the request of the Board. Any excess funds remaining at the end of any fiscal year from appropriations shall be retained by the System as a general reserve to meet the System's accrued liabilities.

(Source: P.A. 96-1497, eff. 1-14-11; 96-1511, eff. 1-27-11; 97-694, eff. 6-18-12.)

(40 ILCS 5/2-162)

(Text of Section WITHOUT the changes made by P.A. 98-599, which has been held unconstitutional) Sec. 2-162. Application and expiration of new benefit increases.

(a) As used in this Section, "new benefit increase" means an increase in the amount of any benefit provided under this Article, or an expansion of the conditions of eligibility for any benefit under this Article, that results from an amendment to this Code that takes effect after the effective date of this amendatory Act of the 94th General Assembly. "New benefit increase", however, does not include any benefit increase resulting from the changes made to this Article by this amendatory Act of the 100th General Assembly.

(b) Notwithstanding any other provision of this Code or any subsequent amendment to this Code, every new benefit increase is subject to this Section and shall be deemed to be granted only in conformance with and contingent upon compliance with the provisions of this Section.

(c) The Public Act enacting a new benefit increase must identify and provide for payment to the System of additional funding at least sufficient to fund the resulting annual increase in cost to the System as it accrues.

Every new benefit increase is contingent upon the General Assembly providing the additional funding required under this subsection. The Commission on Government Forecasting and Accountability shall analyze whether adequate additional funding has been provided for the new benefit increase and shall report its analysis to the Public Pension Division of the Department of ~~Insurance Financial and Professional Regulation~~. A new benefit increase created by a Public Act that does not include the additional funding required under this subsection is null and void. If the Public Pension Division determines that the additional funding provided for a new benefit increase under this subsection is or has become inadequate, it may so certify to the Governor and the State Comptroller and, in the absence of corrective action by the General Assembly, the new benefit increase shall expire at the end of the fiscal year in which the certification is made.

(d) Every new benefit increase shall expire 5 years after its effective date or on such earlier date as may be specified in the language enacting the new benefit increase or provided under subsection (c). This does not prevent the General Assembly from extending or re-creating a new benefit increase by law.

(e) Except as otherwise provided in the language creating the new benefit increase, a new benefit increase that expires under this Section continues to apply to persons who applied and qualified for the affected benefit while the new benefit increase was in effect and to the affected beneficiaries and alternate payees of such persons, but does not apply to any other person, including without limitation a person who continues in service after the expiration date and did not apply and qualify for the affected benefit while the new benefit increase was in effect.

(Source: P.A. 94-4, eff. 6-1-05.)

(40 ILCS 5/2-165.1 new)

Sec. 2-165.1. Defined contribution plan.

(a) By July 1, 2018, the System shall prepare and implement a voluntary defined contribution plan for up to 5% of eligible active Tier 1 employees. The System shall determine the 5% cap by the number of active Tier 1 employees on the effective date of this Section. The defined contribution plan developed under this Section shall be a plan that aggregates employer and employee contributions in individual participant accounts which, after meeting any other requirements, are used for payouts after retirement in accordance with this Section and any other applicable laws.

As used in this Section, "defined benefit plan" means the retirement plan available under this Article to Tier 1 employees who have not made the election authorized under this Section.

(1) Under the defined contribution plan, an active Tier 1 employee of this System could elect to cease accruing benefits in the defined benefit plan under this Article and begin accruing benefits for future

service in the defined contribution plan. Service credit under the defined contribution plan may be used for determining retirement eligibility under the defined benefit plan.

(2) Participants in the defined contribution plan shall pay employee contributions at the same rate as Tier 1 employees in this System who do not participate in the defined contribution plan.

(3) State contributions shall be paid into the accounts of all participants in the defined contribution plan at a uniform rate, expressed as a percentage of compensation and determined for each year. This rate shall be no higher than the employer's normal cost for Tier 1 employees in the defined benefit plan for that year, as determined by the System and expressed as a percentage of compensation, and shall be no lower than 3% of compensation. The State shall adjust this rate annually.

(4) The defined contribution plan shall require 5 years of participation in the defined contribution plan before vesting in State contributions. If the participant fails to vest in them, the State contributions, and the earnings thereon, shall be forfeited.

(5) The defined contribution plan may provide for participants in the plan to be eligible for defined disability benefits. If it does, the System shall reduce the employee contributions credited to the participant's defined contribution plan account by an amount determined by the System to cover the cost of offering such benefits.

(6) The defined contribution plan shall provide a variety of options for investments. These options shall include investments handled by the Illinois State Board of Investment as well as private sector investment options.

(7) The defined contribution plan shall provide a variety of options for payouts to retirees and their survivors.

(8) To the extent authorized under federal law and as authorized by the System, the plan shall allow former participants in the plan to transfer or roll over employee and vested State contributions, and the earnings thereon, into other qualified retirement plans.

(9) The System shall reduce the employee contributions credited to the participant's defined contribution plan account by an amount determined by the System to cover the cost of offering these benefits and any applicable administrative fees.

(b) Only persons who are active Tier 1 employees of the System on the effective date of this Section are eligible to participate in the defined contribution plan. Participation in the defined contribution plan shall be limited to the first 5% of eligible persons who elect to participate. The election to participate in the defined contribution plan is voluntary and irrevocable.

(c) An eligible active Tier 1 employee may irrevocably elect to participate in the defined contribution plan by filing with the System a written application to participate that is received by the System prior to its determination that 5% of eligible persons have elected to participate in the defined contribution plan.

When the System first determines that 5% of eligible persons have elected to participate in the defined contribution plan, the System shall provide notice to previously eligible employees that the plan is no longer available and shall cease accepting applications to participate.

(d) The System shall make a good faith effort to contact each active Tier 1 employee who is eligible to participate in the defined contribution plan. The System shall mail information describing the option to join the defined contribution plan to each of these employees to his or her last known address on file with the System. If the employee is not responsive to other means of contact, it is sufficient for the System to publish the details of the option on its website.

Upon request for further information describing the option, the System shall provide employees with information from the System before exercising the option to join the plan, including information on the impact to their vested benefits or non-vested service. The individual consultation shall include projections of the participant's defined benefits at retirement or earlier termination of service and the value of the participant's account at retirement or earlier termination of service. The System shall not provide advice or counseling with respect to whether the employee should exercise the option. The System shall inform Tier 1 employees who are eligible to participate in the defined contribution plan that they may also wish to obtain information and counsel relating to their option from any other available source, including but not limited to labor organizations, private counsel, and financial advisors.

(e) In no event shall the System, its staff, its authorized representatives, or the Board be liable for any information given to an employee under this Section. The System may coordinate with the Illinois Department of Central Management Services and other retirement systems administering a defined contribution plan in accordance with this amendatory Act of the 100th General Assembly to provide information concerning the impact of the option set forth in this Section.

(f) Notwithstanding any other provision of this Section, no person shall begin participating in the defined contribution plan until it has attained qualified plan status and received all necessary approvals from the U.S. Internal Revenue Service.

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(g) The System shall report on its progress under this Section, including the available details of the defined contribution plan and the System's plans for informing eligible Tier 1 employees about the plan, to the Governor and the General Assembly on or before January 15, 2018.

(h) The Illinois State Board of Investments shall be the plan sponsor for the defined contribution plan established under this Section.

(i) The intent of this amendatory Act of the 100th General Assembly is to ensure that the State's normal cost of participation in the defined contribution plan is similar, and if possible equal, to the State's normal cost of participation in the defined benefit plan, unless a lower State's normal cost is necessary to ensure cost neutrality.

(j) If Section 2-110.3 is determined to be unconstitutional or otherwise invalid by a final unappealable decision of an Illinois court or a court of competent jurisdiction, then this Section shall not take effect and is repealed by operation of law.

(40 ILCS 5/2-166.1 new)

Sec. 2-166.1. Defined contribution plan; termination. If the defined contribution plan is terminated or becomes inoperative pursuant to law, then each participant in the plan shall automatically be deemed to have been a contributing Tier 1 employee in the System's defined benefit plan during the time in which he or she participated in the defined contribution plan, and for that purpose the System shall be entitled to recover the amounts in the participant's defined contribution accounts.

(40 ILCS 5/14-103.10) (from Ch. 108 1/2, par. 14-103.10)

(Text of Section WITHOUT the changes made by P.A. 98-599, which has been held unconstitutional) Sec. 14-103.10. Compensation.

(a) For periods of service prior to January 1, 1978, the full rate of salary or wages payable to an employee for personal services performed if he worked the full normal working period for his position, subject to the following maximum amounts: (1) prior to July 1, 1951, \$400 per month or \$4,800 per year; (2) between July 1, 1951 and June 30, 1957 inclusive, \$625 per month or \$7,500 per year; (3) beginning July 1, 1957, no limitation.

In the case of service of an employee in a position involving part-time employment, compensation shall be determined according to the employees' earnings record.

(b) For periods of service on and after January 1, 1978, all remuneration for personal services performed defined as "wages" under the Social Security Enabling Act, including that part of such remuneration which is in excess of any maximum limitation provided in such Act, and including any benefits received by an employee under a sick pay plan in effect before January 1, 1981, but excluding lump sum salary payments:

- (1) for vacation,
- (2) for accumulated unused sick leave,
- (3) upon discharge or dismissal,
- (4) for approved holidays.

(c) For periods of service on or after December 16, 1978, compensation also includes any benefits, other than lump sum salary payments made at termination of employment, which an employee receives or is eligible to receive under a sick pay plan authorized by law.

(d) For periods of service after September 30, 1985, compensation also includes any remuneration for personal services not included as "wages" under the Social Security Enabling Act, which is deducted for purposes of participation in a program established pursuant to Section 125 of the Internal Revenue Code or its successor laws.

(e) For members for which Section 1-160 applies for periods of service on and after January 1, 2011, all remuneration for personal services performed defined as "wages" under the Social Security Enabling Act, excluding remuneration that is in excess of the annual earnings, salary, or wages of a member or participant, as provided in subsection (b-5) of Section 1-160, but including any benefits received by an employee under a sick pay plan in effect before January 1, 1981. Compensation shall exclude lump sum salary payments:

- (1) for vacation;
- (2) for accumulated unused sick leave;
- (3) upon discharge or dismissal; and
- (4) for approved holidays.

(f) Notwithstanding the other provisions of this Section, for service on or after July 1, 2013, "compensation" does not include any stipend payable to an employee for service on a board or commission.

(g) Notwithstanding any other provision of this Section, "compensation" does not include any future increase in income that is offered for service by a department to a Tier 1 employee under this Article pursuant to the condition set forth in subsection (c) of Section 14-106.5 and accepted under that condition by a Tier 1 employee who has made the election under paragraph (2) of subsection (a) of Section 14-106.5.

(h) Notwithstanding any other provision of this Section, "compensation" does not include any consideration payment made to a Tier 1 employee.

(Source: P.A. 98-449, eff. 8-16-13.)

(40 ILCS 5/14-103.41 new)

Sec. 14-103.41. Tier 1 employee. "Tier 1 employee": An employee under this Article who first became a member or participant before January 1, 2011 under any reciprocal retirement system or pension fund established under this Code other than a retirement system or pension fund established under Article 2, 3, 4, 5, 6, or 18 of this Code.

(40 ILCS 5/14-103.42 new)

Sec. 14-103.42. Future increase in income. "Future increase in income" means an increase to a Tier 1 employee's base pay that is offered by a department to the Tier 1 employee for service under this Article after June 30, 2019 that qualifies as "compensation", as defined in Section 14-103.10, or would qualify as "compensation" but for the fact that it was offered to and accepted by the Tier 1 employee under the condition set forth in subsection (c) of Section 14-106.5. The term "future increase in income" includes an increase to a Tier 1 employee's base pay that is paid to the Tier 1 employee pursuant to an extension, amendment, or renewal of any employment contract or collective bargaining agreement after the effective date of this Section.

(40 ILCS 5/14-103.43 new)

Sec. 14-103.43. Base pay. As used in Section 14-103.42 of this Code, "base pay" means the greater of either (i) the Tier 1 employee's annualized rate of compensation as of June 30, 2019, or (ii) the Tier 1 employee's annualized rate of compensation immediately preceding the expiration, renewal, or amendment of an employment contract or collective bargaining agreement in effect on the effective date of this Section. For a person returning to active service as a Tier 1 employee after June 30, 2019, however, "base pay" means the employee's annualized rate of compensation as of the employee's last date of service prior to July 1, 2019. The System shall calculate the base pay of each Tier 1 employee pursuant to this Section.

(40 ILCS 5/14-106.5 new)

Sec. 14-106.5. Election by Tier 1 employees.

(a) Each active Tier 1 employee shall make an irrevocable election either:

(1) to agree to delay his or her eligibility for automatic annual increases in retirement annuity as provided in subsection (a-1) of Section 14-114 and to have the amount of the automatic annual increases in his or her retirement annuity and survivors or widow's annuity that are otherwise provided for in this Article calculated, instead, as provided in subsection (a-1) of Section 14-114; or

(2) to not agree to paragraph (1) of this subsection.

The election required under this subsection (a) shall be made by each active Tier 1 employee no earlier than January 1, 2019 and no later than March 31, 2019, except that:

(i) a person who becomes a Tier 1 employee under this Article on or after January 1, 2019 must make the election under this subsection (a) within 60 days after becoming a Tier 1 employee; and

(ii) a person who returns to active service as a Tier 1 employee under this Article on or after January 1, 2019 and has not yet made an election under this Section must make the election under this subsection (a) within 60 days after returning to active service as a Tier 1 employee.

If a Tier 1 employee fails for any reason to make a required election under this subsection within the time specified, then the employee shall be deemed to have made the election under paragraph (2) of this subsection.

(a-5) If this Section is enjoined or stayed by an Illinois court or a court of competent jurisdiction pending the entry of a final and unappealable decision, and this Section is determined to be constitutional or otherwise valid by a final unappealable decision of an Illinois court or a court of competent jurisdiction, then the election procedure set forth in subsection (a) of this Section shall commence on the 180th calendar day after the date of the issuance of the final unappealable decision and shall conclude at the end of the 270th calendar day after that date.

(a-10) All elections under subsection (a) that are made or deemed to be made before July 1, 2019 shall take effect on July 1, 2019. Elections that are made or deemed to be made on or after July 1, 2019 shall take effect on the first day of the month following the month in which the election is made or deemed to be made.

(b) As adequate and legal consideration provided under this amendatory Act of the 100th General Assembly for making an election under paragraph (1) of subsection (a) of this Section, the department shall be expressly and irrevocably prohibited from offering any future increases in income to a Tier 1 employee who has made an election under paragraph (1) of subsection (a) of this Section on the condition of not constituting compensation under Section 14-103.10.

As adequate and legal consideration provided under this amendatory Act of the 100th General Assembly for making an election under paragraph (1) of subsection (a) of this Section, each Tier 1 employee who has made an election under paragraph (1) of subsection (a) of this Section shall receive a consideration payment equal to 10% of the contributions made by or on behalf of the employee before the effective date of that election. The State Comptroller shall pay the consideration payment to the Tier 1 employee out of funds appropriated for that purpose under Section 1.9 of the State Pension Funds Continuing Appropriation Act. The System shall calculate the amount of each consideration payment and, by July 1, 2019, shall certify to the State Comptroller the amount of the consideration payment, together with the name, address, and any other available payment information of the Tier 1 employee as found in the records of the System. The System shall make additional calculations and certifications of consideration payments to the State Comptroller as it deems necessary.

(c) A Tier 1 employee who makes the election under paragraph (2) of subsection (a) of this Section shall not be subject to paragraph (1) of subsection (a) of this Section. However, each future increase in income offered by a department under this Article to a Tier 1 employee who has made the election under paragraph (2) of subsection (a) of this Section shall be offered by the department expressly and irrevocably on the condition of not constituting compensation under Section 14-103.10 and that the Tier 1 employee's acceptance of the offered future increase in income shall constitute his or her agreement to that condition.

(d) The System shall make a good faith effort to contact each Tier 1 employee subject to this Section. The System shall mail information describing the required election to each Tier 1 employee by United States Postal Service mail to his or her last known address on file with the System. If the Tier 1 employee is not responsive to other means of contact, it is sufficient for the System to publish the details of any required elections on its website or to publish those details in a regularly published newsletter or other existing public forum.

Tier 1 employees who are subject to this Section shall be provided with an election packet containing information regarding their options, as well as the forms necessary to make the required election. Upon request, the System shall offer Tier 1 employees an opportunity to receive information from the System before making the required election. The information may consist of video materials, group presentations, individual consultation with a member or authorized representative of the System in person or by telephone or other electronic means, or any combination of those methods. The System shall not provide advice or counseling with respect to which election a Tier 1 employee should make or specific to the legal or tax circumstances of or consequences to the Tier 1 employee.

The System shall inform Tier 1 employees in the election packet required under this subsection that the Tier 1 employee may also wish to obtain information and counsel relating to the election required under this Section from any other available source, including, but not limited to, labor organizations and private counsel.

In no event shall the System, its staff, or the Board be held liable for any information given to a member regarding the elections under this Section. The System shall coordinate with the Illinois Department of Central Management Services and each other retirement system administering an election in accordance with this amendatory Act of the 100th General Assembly to provide information concerning the impact of the election set forth in this Section.

(e) Notwithstanding any other provision of law, a department under this Article is required to offer each future increase in income expressly and irrevocably on the condition of not constituting "compensation" under Section 14-103.10 to any Tier 1 employee who has made an election under paragraph (2) of subsection (a) of this Section. The offer shall also provide that the Tier 1 employee's acceptance of the offered future increase in income shall constitute his or her agreement to the condition set forth in this subsection.

For purposes of legislative intent, the condition set forth in this subsection shall be construed in a manner that ensures that the condition is not violated or circumvented through any contrivance of any kind.

(f) A member's election under this Section is not a prohibited election under subdivision (j)(1) of Section 1-119 of this Code.

(g) No provision of this Section shall be interpreted in a way that would cause the System to cease to be a qualified plan under Section 401(a) of the Internal Revenue Code of 1986. The provisions of this Section shall be subject to and implemented in a manner that complies with Section 21 of Article V of the Illinois Constitution.

(h) If an election created by this amendatory Act in any other Article of this Code or any change deriving from that election is determined to be unconstitutional or otherwise invalid by a final unappealable decision of an Illinois court or a court of competent jurisdiction, the invalidity of that provision shall not in any way affect the validity of this Section or the changes deriving from the election required under this Section.

(40 ILCS 5/14-114) (from Ch. 108 1/2, par. 14-114)

(Text of Section WITHOUT the changes made by P.A. 98-599, which has been held unconstitutional) Sec. 14-114. Automatic increase in retirement annuity.

(a) Subject to the provisions of subsections (a-1), any Any person receiving a retirement annuity under this Article who retires having attained age 60, or who retires before age 60 having at least 35 years of creditable service, or who retires on or after January 1, 2001 at an age which, when added to the number of years of his or her creditable service, equals at least 85, shall, on January 1 next following the first full year of retirement, have the amount of the then fixed and payable monthly retirement annuity increased 3%. Any person receiving a retirement annuity under this Article who retires before attainment of age 60 and with less than (i) 35 years of creditable service if retirement is before January 1, 2001, or (ii) the number of years of creditable service which, when added to the member's age, would equal 85, if retirement is on or after January 1, 2001, shall have the amount of the fixed and payable retirement annuity increased by 3% on the January 1 occurring on or next following (1) attainment of age 60, or (2) the first anniversary of retirement, whichever occurs later. However, for persons who receive the alternative retirement annuity under Section 14-110, references in this subsection (a) to attainment of age 60 shall be deemed to refer to attainment of age 55. For a person receiving early retirement incentives under Section 14-108.3 whose retirement annuity began after January 1, 1992 pursuant to an extension granted under subsection (e) of that Section, the first anniversary of retirement shall be deemed to be January 1, 1993. For a person who retires on or after June 28, 2001 and on or before October 1, 2001, and whose retirement annuity is calculated, in whole or in part, under Section 14-110 or subsection (g) or (h) of Section 14-108, the first anniversary of retirement shall be deemed to be January 1, 2002.

On each January 1 following the date of the initial increase under this subsection, the employee's monthly retirement annuity shall be increased by an additional 3%.

Beginning January 1, 1990, and except as provided in subsection (a-1), all automatic annual increases payable under this Section shall be calculated as a percentage of the total annuity payable at the time of the increase, including previous increases granted under this Article.

(a-1) Notwithstanding any other provision of this Article, for a Tier 1 employee who made the election under paragraph (1) of subsection (a) of Section 14-106.5:

(1) The initial increase in retirement annuity under this Section shall occur on the January 1 occurring either on or after the attainment of age 67 or the fifth anniversary of the annuity start date, whichever is earlier.

(2) The amount of each automatic annual increase in retirement annuity or survivors or widow's annuity occurring on or after the effective date of that election shall be calculated as a percentage of the originally granted retirement annuity or survivors or widow's annuity, equal to 3% or one-half the annual unadjusted percentage increase (but not less than zero) in the consumer price index-u for the 12 months ending with the September preceding each November 1, whichever is less. If the annual unadjusted percentage change in the consumer price index-u for the 12 months ending with the September preceding each November 1 is zero or there is a decrease, then the annuity shall not be increased.

For the purposes of this Section, "consumer price index-u" means the index published by the Bureau of Labor Statistics of the United States Department of Labor that measures the average change in prices of goods and services purchased by all urban consumers, United States city average, all items, 1982-84 = 100. The new amount resulting from each annual adjustment shall be determined by the Public Pension Division of the Department of Insurance and made available to the board of the retirement system by November 1 of each year.

(b) The provisions of subsection (a) of this Section shall be applicable to an employee only if the employee makes the additional contributions required after December 31, 1969 for the purpose of the automatic increases for not less than the equivalent of one full year. If an employee becomes an annuitant before his additional contributions equal one full year's contributions based on his salary at the date of retirement, the employee may pay the necessary balance of the contributions to the system, without interest, and be eligible for the increasing annuity authorized by this Section.

(c) The provisions of subsection (a) of this Section shall not be applicable to any annuitant who is on retirement on December 31, 1969, and thereafter returns to State service, unless the member has established at least one year of additional creditable service following reentry into service.

(d) In addition to other increases which may be provided by this Section, on January 1, 1981 any annuitant who was receiving a retirement annuity on or before January 1, 1971 shall have his retirement annuity then being paid increased \$1 per month for each year of creditable service. On January 1, 1982, any annuitant who began receiving a retirement annuity on or before January 1, 1977, shall have his retirement annuity then being paid increased \$1 per month for each year of creditable service.

On January 1, 1987, any annuitant who began receiving a retirement annuity on or before January 1, 1977, shall have the monthly retirement annuity increased by an amount equal to 8¢ per year of creditable service times the number of years that have elapsed since the annuity began.

(e) Every person who receives the alternative retirement annuity under Section 14-110 and who is eligible to receive the 3% increase under subsection (a) on January 1, 1986, shall also receive on that date a one-time increase in retirement annuity equal to the difference between (1) his actual retirement annuity on that date, including any increases received under subsection (a), and (2) the amount of retirement annuity he would have received on that date if the amendments to subsection (a) made by Public Act 84-162 had been in effect since the date of his retirement.

(Source: P.A. 91-927, eff. 12-14-00; 92-14, eff. 6-28-01; 92-651, eff. 7-11-02.)

(40 ILCS 5/14-131)

Sec. 14-131. Contributions by State.

(a) The State shall make contributions to the System by appropriations of amounts which, together with other employer contributions from trust, federal, and other funds, employee contributions, investment income, and other income, will be sufficient to meet the cost of maintaining and administering the System on a 90% funded basis in accordance with actuarial recommendations.

For the purposes of this Section and Section 14-135.08, references to State contributions refer only to employer contributions and do not include employee contributions that are picked up or otherwise paid by the State or a department on behalf of the employee.

(b) The Board shall determine the total amount of State contributions required for each fiscal year on the basis of the actuarial tables and other assumptions adopted by the Board, using the formula in subsection (e).

The Board shall also determine a State contribution rate for each fiscal year, expressed as a percentage of payroll, based on the total required State contribution for that fiscal year (less the amount received by the System from appropriations under Section 8.12 of the State Finance Act and Section 1 of the State Pension Funds Continuing Appropriation Act, if any, for the fiscal year ending on the June 30 immediately preceding the applicable November 15 certification deadline), the estimated payroll (including all forms of compensation) for personal services rendered by eligible employees, and the recommendations of the actuary.

For the purposes of this Section and Section 14.1 of the State Finance Act, the term "eligible employees" includes employees who participate in the System, persons who may elect to participate in the System but have not so elected, persons who are serving a qualifying period that is required for participation, and annuitants employed by a department as described in subdivision (a)(1) or (a)(2) of Section 14-111.

(c) Contributions shall be made by the several departments for each pay period by warrants drawn by the State Comptroller against their respective funds or appropriations based upon vouchers stating the amount to be so contributed. These amounts shall be based on the full rate certified by the Board under Section 14-135.08 for that fiscal year. From the effective date of this amendatory Act of the 93rd General Assembly through the payment of the final payroll from fiscal year 2004 appropriations, the several departments shall not make contributions for the remainder of fiscal year 2004 but shall instead make payments as required under subsection (a-1) of Section 14.1 of the State Finance Act. The several departments shall resume those contributions at the commencement of fiscal year 2005.

(c-1) Notwithstanding subsection (c) of this Section, for fiscal years 2010, 2012, 2013, 2014, 2015, 2016, and 2017 only, contributions by the several departments are not required to be made for General Revenue Funds payrolls processed by the Comptroller. Payrolls paid by the several departments from all other State funds must continue to be processed pursuant to subsection (c) of this Section.

(c-2) For State fiscal years 2010, 2012, 2013, 2014, 2015, 2016, and 2017 only, on or as soon as possible after the 15th day of each month, the Board shall submit vouchers for payment of State contributions to the System, in a total monthly amount of one-twelfth of the fiscal year General Revenue Fund contribution as certified by the System pursuant to Section 14-135.08 of the Illinois Pension Code.

(d) If an employee is paid from trust funds or federal funds, the department or other employer shall pay employer contributions from those funds to the System at the certified rate, unless the terms of the trust or the federal-State agreement preclude the use of the funds for that purpose, in which case the required employer contributions shall be paid by the State. From the effective date of this amendatory Act of the 93rd General Assembly through the payment of the final payroll from fiscal year 2004 appropriations, the department or other employer shall not pay contributions for the remainder of fiscal year 2004 but shall instead make payments as required under subsection (a-1) of Section 14.1 of the State Finance Act. The department or other employer shall resume payment of contributions at the commencement of fiscal year 2005.

(e) For State fiscal years 2018 through 2045 (except as otherwise provided for fiscal year 2020), the minimum contribution to the System to be made by the State for each fiscal year shall be an amount determined by the System to be sufficient to bring the total assets of the System up to 90% of the total actuarial liabilities of the System by the end of State fiscal year 2045. In making these determinations, the required State contribution shall be calculated each year as a level percentage of total payroll, including payroll that is not deemed pensionable, over the years remaining to and including fiscal year 2045 and shall be determined under the projected unit credit actuarial cost method.

For State fiscal year 2020:

(1) The initial calculation and certification shall be based on the amount determined above.

(2) For purposes of the recertification due on or before May 1, 2019, the recalculation of the required State contribution for fiscal year 2020 shall take into account the effect on the System's liabilities of the elections made under Section 14-106.5.

(3) For purposes of the recertification due on or before October 1, 2019, the total required State contribution for fiscal year 2020 shall be reduced by the amount of the consideration payments made to Tier 1 employees who made the election under paragraph (1) of subsection (a) of Section 14-106.5.

Beginning in State fiscal year 2018, any increase or decrease in State contribution over the prior fiscal year due exclusively to changes in actuarial or investment assumptions adopted by the Board shall be included in the State contribution to the System, as a percentage of the applicable employee payroll, and shall be increased in equal annual increments so that by the State fiscal year occurring 5 years after the adoption of the actuarial or investment assumptions, the State is contributing at the rate otherwise required under this Section.

For State fiscal years 2012 through 2017 2045, the minimum contribution to the System to be made by the State for each fiscal year shall be an amount determined by the System to be sufficient to bring the total assets of the System up to 90% of the total actuarial liabilities of the System by the end of State fiscal year 2045. In making these determinations, the required State contribution shall be calculated each year as a level percentage of payroll over the years remaining to and including fiscal year 2045 and shall be determined under the projected unit credit actuarial cost method.

For State fiscal years 1996 through 2005, the State contribution to the System, as a percentage of the applicable employee payroll, shall be increased in equal annual increments so that by State fiscal year 2011, the State is contributing at the rate required under this Section; except that (i) for State fiscal year 1998, for all purposes of this Code and any other law of this State, the certified percentage of the applicable employee payroll shall be 5.052% for employees earning eligible creditable service under Section 14-110 and 6.500% for all other employees, notwithstanding any contrary certification made under Section 14-135.08 before the effective date of this amendatory Act of 1997, and (ii) in the following specified State fiscal years, the State contribution to the System shall not be less than the following indicated percentages of the applicable employee payroll, even if the indicated percentage will produce a State contribution in excess of the amount otherwise required under this subsection and subsection (a): 9.8% in FY 1999; 10.0% in FY 2000; 10.2% in FY 2001; 10.4% in FY 2002; 10.6% in FY 2003; and 10.8% in FY 2004.

Notwithstanding any other provision of this Article, the total required State contribution to the System for State fiscal year 2006 is \$203,783,900.

Notwithstanding any other provision of this Article, the total required State contribution to the System for State fiscal year 2007 is \$344,164,400.

For each of State fiscal years 2008 through 2009, the State contribution to the System, as a percentage of the applicable employee payroll, shall be increased in equal annual increments from the required State contribution for State fiscal year 2007, so that by State fiscal year 2011, the State is contributing at the rate otherwise required under this Section.

Notwithstanding any other provision of this Article, the total required State General Revenue Fund contribution for State fiscal year 2010 is \$723,703,100 and shall be made from the proceeds of bonds sold in fiscal year 2010 pursuant to Section 7.2 of the General Obligation Bond Act, less (i) the pro rata share of bond sale expenses determined by the System's share of total bond proceeds, (ii) any amounts received from the General Revenue Fund in fiscal year 2010, and (iii) any reduction in bond proceeds due to the issuance of discounted bonds, if applicable.

Notwithstanding any other provision of this Article, the total required State General Revenue Fund contribution for State fiscal year 2011 is the amount recertified by the System on or before April 1, 2011 pursuant to Section 14-135.08 and shall be made from the proceeds of bonds sold in fiscal year 2011 pursuant to Section 7.2 of the General Obligation Bond Act, less (i) the pro rata share of bond sale expenses determined by the System's share of total bond proceeds, (ii) any amounts received from the General Revenue Fund in fiscal year 2011, and (iii) any reduction in bond proceeds due to the issuance of discounted bonds, if applicable.

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Beginning in State fiscal year 2046, the minimum State contribution for each fiscal year shall be the amount needed to maintain the total assets of the System at 90% of the total actuarial liabilities of the System.

Amounts received by the System pursuant to Section 25 of the Budget Stabilization Act or Section 8.12 of the State Finance Act in any fiscal year do not reduce and do not constitute payment of any portion of the minimum State contribution required under this Article in that fiscal year. Such amounts shall not reduce, and shall not be included in the calculation of, the required State contributions under this Article in any future year until the System has reached a funding ratio of at least 90%. A reference in this Article to the "required State contribution" or any substantially similar term does not include or apply to any amounts payable to the System under Section 25 of the Budget Stabilization Act.

Notwithstanding any other provision of this Section, the required State contribution for State fiscal year 2005 and for fiscal year 2008 and each fiscal year thereafter, as calculated under this Section and certified under Section 14-135.08, shall not exceed an amount equal to (i) the amount of the required State contribution that would have been calculated under this Section for that fiscal year if the System had not received any payments under subsection (d) of Section 7.2 of the General Obligation Bond Act, minus (ii) the portion of the State's total debt service payments for that fiscal year on the bonds issued in fiscal year 2003 for the purposes of that Section 7.2, as determined and certified by the Comptroller, that is the same as the System's portion of the total moneys distributed under subsection (d) of Section 7.2 of the General Obligation Bond Act. In determining this maximum for State fiscal years 2008 through 2010, however, the amount referred to in item (i) shall be increased, as a percentage of the applicable employee payroll, in equal increments calculated from the sum of the required State contribution for State fiscal year 2007 plus the applicable portion of the State's total debt service payments for fiscal year 2007 on the bonds issued in fiscal year 2003 for the purposes of Section 7.2 of the General Obligation Bond Act, so that, by State fiscal year 2011, the State is contributing at the rate otherwise required under this Section.

(f) After the submission of all payments for eligible employees from personal services line items in fiscal year 2004 have been made, the Comptroller shall provide to the System a certification of the sum of all fiscal year 2004 expenditures for personal services that would have been covered by payments to the System under this Section if the provisions of this amendatory Act of the 93rd General Assembly had not been enacted. Upon receipt of the certification, the System shall determine the amount due to the System based on the full rate certified by the Board under Section 14-135.08 for fiscal year 2004 in order to meet the State's obligation under this Section. The System shall compare this amount due to the amount received by the System in fiscal year 2004 through payments under this Section and under Section 6z-61 of the State Finance Act. If the amount due is more than the amount received, the difference shall be termed the "Fiscal Year 2004 Shortfall" for purposes of this Section, and the Fiscal Year 2004 Shortfall shall be satisfied under Section 1.2 of the State Pension Funds Continuing Appropriation Act. If the amount due is less than the amount received, the difference shall be termed the "Fiscal Year 2004 Overpayment" for purposes of this Section, and the Fiscal Year 2004 Overpayment shall be repaid by the System to the Pension Contribution Fund as soon as practicable after the certification.

(g) For purposes of determining the required State contribution to the System, the value of the System's assets shall be equal to the actuarial value of the System's assets, which shall be calculated as follows:

As of June 30, 2008, the actuarial value of the System's assets shall be equal to the market value of the assets as of that date. In determining the actuarial value of the System's assets for fiscal years after June 30, 2008, any actuarial gains or losses from investment return incurred in a fiscal year shall be recognized in equal annual amounts over the 5-year period following that fiscal year.

(h) For purposes of determining the required State contribution to the System for a particular year, the actuarial value of assets shall be assumed to earn a rate of return equal to the System's actuarially assumed rate of return.

(i) After the submission of all payments for eligible employees from personal services line items paid from the General Revenue Fund in fiscal year 2010 have been made, the Comptroller shall provide to the System a certification of the sum of all fiscal year 2010 expenditures for personal services that would have been covered by payments to the System under this Section if the provisions of this amendatory Act of the 96th General Assembly had not been enacted. Upon receipt of the certification, the System shall determine the amount due to the System based on the full rate certified by the Board under Section 14-135.08 for fiscal year 2010 in order to meet the State's obligation under this Section. The System shall compare this amount due to the amount received by the System in fiscal year 2010 through payments under this Section. If the amount due is more than the amount received, the difference shall be termed the "Fiscal Year 2010 Shortfall" for purposes of this Section, and the Fiscal Year 2010 Shortfall shall be satisfied under Section 1.2 of the State Pension Funds Continuing Appropriation Act. If the amount due is less than the amount received, the difference shall be termed the "Fiscal Year 2010 Overpayment" for purposes of this Section,

and the Fiscal Year 2010 Overpayment shall be repaid by the System to the General Revenue Fund as soon as practicable after the certification.

(j) After the submission of all payments for eligible employees from personal services line items paid from the General Revenue Fund in fiscal year 2011 have been made, the Comptroller shall provide to the System a certification of the sum of all fiscal year 2011 expenditures for personal services that would have been covered by payments to the System under this Section if the provisions of this amendatory Act of the 96th General Assembly had not been enacted. Upon receipt of the certification, the System shall determine the amount due to the System based on the full rate certified by the Board under Section 14-135.08 for fiscal year 2011 in order to meet the State's obligation under this Section. The System shall compare this amount due to the amount received by the System in fiscal year 2011 through payments under this Section. If the amount due is more than the amount received, the difference shall be termed the "Fiscal Year 2011 Shortfall" for purposes of this Section, and the Fiscal Year 2011 Shortfall shall be satisfied under Section 1.2 of the State Pension Funds Continuing Appropriation Act. If the amount due is less than the amount received, the difference shall be termed the "Fiscal Year 2011 Overpayment" for purposes of this Section, and the Fiscal Year 2011 Overpayment shall be repaid by the System to the General Revenue Fund as soon as practicable after the certification.

(k) For fiscal years 2012 through 2017 only, after the submission of all payments for eligible employees from personal services line items paid from the General Revenue Fund in the fiscal year have been made, the Comptroller shall provide to the System a certification of the sum of all expenditures in the fiscal year for personal services. Upon receipt of the certification, the System shall determine the amount due to the System based on the full rate certified by the Board under Section 14-135.08 for the fiscal year in order to meet the State's obligation under this Section. The System shall compare this amount due to the amount received by the System for the fiscal year. If the amount due is more than the amount received, the difference shall be termed the "Prior Fiscal Year Shortfall" for purposes of this Section, and the Prior Fiscal Year Shortfall shall be satisfied under Section 1.2 of the State Pension Funds Continuing Appropriation Act. If the amount due is less than the amount received, the difference shall be termed the "Prior Fiscal Year Overpayment" for purposes of this Section, and the Prior Fiscal Year Overpayment shall be repaid by the System to the General Revenue Fund as soon as practicable after the certification.

(Source: P.A. 98-24, eff. 6-19-13; 98-674, eff. 6-30-14; 99-8, eff. 7-9-15; 99-523, eff. 6-30-16.)

(40 ILCS 5/14-133) (from Ch. 108 1/2, par. 14-133)

(Text of Section WITHOUT the changes made by P.A. 98-599, which has been held unconstitutional) Sec. 14-133. Contributions on behalf of members.

(a) Except as provided in subsection (a-5), each ~~Each~~ participating employee shall make contributions to the System, based on the employee's compensation, as follows:

(1) Covered employees, except as indicated below, 3.5% for retirement annuity, and 0.5% for a widow or survivors annuity;

(2) Noncovered employees, except as indicated below, 7% for retirement annuity and 1% for a widow or survivors annuity;

(3) Noncovered employees serving in a position in which "eligible creditable service" as defined in Section 14-110 may be earned, 1% for a widow or survivors annuity plus the following amount for retirement annuity: 8.5% through December 31, 2001; 9.5% in 2002; 10.5% in 2003; and 11.5% in 2004 and thereafter;

(4) Covered employees serving in a position in which "eligible creditable service" as defined in Section 14-110 may be earned, 0.5% for a widow or survivors annuity plus the following amount for retirement annuity: 5% through December 31, 2001; 6% in 2002; 7% in 2003; and 8% in 2004 and thereafter;

(5) Each security employee of the Department of Corrections or of the Department of Human Services who is a covered employee, 0.5% for a widow or survivors annuity plus the following amount for retirement annuity: 5% through December 31, 2001; 6% in 2002; 7% in 2003; and 8% in 2004 and thereafter;

(6) Each security employee of the Department of Corrections or of the Department of Human Services who is not a covered employee, 1% for a widow or survivors annuity plus the following amount for retirement annuity: 8.5% through December 31, 2001; 9.5% in 2002; 10.5% in 2003; and 11.5% in 2004 and thereafter.

(a-5) Beginning July 1, 2019 or the effective date of the Tier I employee's election under paragraph (1) of subsection (a) of Section 14-106.5, whichever is later, in lieu of the contributions otherwise required under subsection (a), each Tier I employee who made the election under paragraph (1) of subsection (a) of Section 14-106.5 who is a participating employee shall make contributions to the System, based on his or her compensation, as follows:

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(1) Covered employees, except as indicated below, 3.15% for retirement annuity, and 0.45% for a widow or survivors annuity;

(2) Noncovered employees, except as indicated below, 6.3% for retirement annuity and 0.9% for a widow or survivors annuity;

(3) Noncovered employees serving in a position in which "eligible creditable service" as defined in Section 14-110 may be earned, 10.35% for retirement annuity and 0.9% for a widow or survivors annuity;

(4) Covered employees serving in a position in which "eligible creditable service" as defined in Section 14-110 may be earned, 7.2% for retirement annuity and 0.45% for a widow or survivors annuity;

(5) Each security employee of the Department of Corrections or of the Department of Human Services who is a covered employee, 10.8% for retirement annuity and 0.45% for a widow or survivors annuity;

(6) Each security employee of the Department of Corrections or of the Department of Human Services who is not a covered employee, 10.35% for retirement annuity and 0.9% for a widow or survivors annuity.

(b) Contributions shall be in the form of a deduction from compensation and shall be made notwithstanding that the compensation paid in cash to the employee shall be reduced thereby below the minimum prescribed by law or regulation. Each member is deemed to consent and agree to the deductions from compensation provided for in this Article, and shall receipt in full for salary or compensation.

(Source: P.A. 92-14, eff. 6-28-01.)

(40 ILCS 5/14-135.08) (from Ch. 108 1/2, par. 14-135.08)

(Text of Section WITHOUT the changes made by P.A. 98-599, which has been held unconstitutional) Sec. 14-135.08. To certify required State contributions.

(a) To certify to the Governor and to each department, on or before November 15 of each year until November 15, 2011, the required rate for State contributions to the System for the next State fiscal year, as determined under subsection (b) of Section 14-131. The certification to the Governor under this subsection (a) shall include a copy of the actuarial recommendations upon which the rate is based and shall specifically identify the System's projected State normal cost for that fiscal year.

(a-5) On or before November 1 of each year, beginning November 1, 2012, the Board shall submit to the State Actuary, the Governor, and the General Assembly a proposed certification of the amount of the required State contribution to the System for the next fiscal year, along with all of the actuarial assumptions, calculations, and data upon which that proposed certification is based. On or before January 1 of each year beginning January 1, 2013, the State Actuary shall issue a preliminary report concerning the proposed certification and identifying, if necessary, recommended changes in actuarial assumptions that the Board must consider before finalizing its certification of the required State contributions. On or before January 15, 2013 and each January 15 thereafter, the Board shall certify to the Governor and the General Assembly the amount of the required State contribution for the next fiscal year. The Board's certification must note any deviations from the State Actuary's recommended changes, the reason or reasons for not following the State Actuary's recommended changes, and the fiscal impact of not following the State Actuary's recommended changes on the required State contribution.

(a-10) For purposes of subsection (c-5) of Section 20 of the Budget Stabilization Act, on or before November 1 of each year beginning November 1, 2019, the Board shall determine the amount of the State contribution to the System that would have been required for the next fiscal year if Section 1-161, Section 14-155.2, and the changes made to Section 1-160 by this amendatory Act of the 100th General Assembly had not taken effect, using the best and most recent available data but based on the law in effect on May 31, 2019. The Board shall submit to the State Actuary, the Governor, and the General Assembly a proposed certification, along with the relevant law, actuarial assumptions, calculations, and data upon which that certification is based. On or before January 1, 2020 and every January 1 thereafter, the State Actuary shall issue a preliminary report concerning the proposed certification and identifying, if necessary, recommended changes in actuarial assumptions that the Board must consider before finalizing its certification. On or before January 15, 2020 and every January 1 thereafter, the Board shall certify to the Governor and the General Assembly the amount of the State contribution to the System that would have been required for the next fiscal year if Section 1-161, Section 14-155.2, and the changes made to Section 1-160 by this amendatory Act of the 100th General Assembly had not taken effect, using the best and most recent available data but based on the law in effect on May 31, 2019. The Board's certification must note any deviations from the State Actuary's recommended changes, the reason or reasons for not following the State Actuary's recommended changes, and the impact of not following the State Actuary's recommended changes.

(b) The certifications under subsections (a) and (a-5) shall include an additional amount necessary to pay all principal of and interest on those general obligation bonds due the next fiscal year authorized by Section 7.2(a) of the General Obligation Bond Act and issued to provide the proceeds deposited by the State with the System in July 2003, representing deposits other than amounts reserved under Section 7.2(c)

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of the General Obligation Bond Act. For State fiscal year 2005, the Board shall make a supplemental certification of the additional amount necessary to pay all principal of and interest on those general obligation bonds due in State fiscal years 2004 and 2005 authorized by Section 7.2(a) of the General Obligation Bond Act and issued to provide the proceeds deposited by the State with the System in July 2003, representing deposits other than amounts reserved under Section 7.2(c) of the General Obligation Bond Act, as soon as practical after the effective date of this amendatory Act of the 93rd General Assembly.

On or before May 1, 2004, the Board shall recalculate and recertify to the Governor and to each department the amount of the required State contribution to the System and the required rates for State contributions to the System for State fiscal year 2005, taking into account the amounts appropriated to and received by the System under subsection (d) of Section 7.2 of the General Obligation Bond Act.

On or before July 1, 2005, the Board shall recalculate and recertify to the Governor and to each department the amount of the required State contribution to the System and the required rates for State contributions to the System for State fiscal year 2006, taking into account the changes in required State contributions made by this amendatory Act of the 94th General Assembly.

On or before April 1, 2011, the Board shall recalculate and recertify to the Governor and to each department the amount of the required State contribution to the System for State fiscal year 2011, applying the changes made by Public Act 96-889 to the System's assets and liabilities as of June 30, 2009 as though Public Act 96-889 was approved on that date.

As soon as practical after the effective date of this amendatory Act of the 100th General Assembly, the Board shall recalculate and recertify to the State Actuary, the Governor, and the General Assembly the amount of the State contribution to the System for State fiscal year 2018, taking into account the changes in required State contributions made by this amendatory Act of the 100th General Assembly. The State Actuary shall review the assumptions and valuations underlying the Board's revised certification and issue a preliminary report concerning the proposed recertification and identifying, if necessary, recommended changes in actuarial assumptions that the Board must consider before finalizing its certification of the required State contributions. The Board's final certification must note any deviations from the State Actuary's recommended changes, the reason or reasons for not following the State Actuary's recommended changes, and the fiscal impact of not following the State Actuary's recommended changes on the required State contribution.

On or before May 1, 2019, the Board shall recalculate and recertify to the Governor and the General Assembly the amount of the required State contribution to the System for State fiscal year 2020, taking into account the effect on the System's liabilities of the elections made under Section 14-106.5.

On or before October 1, 2019, the Board shall recalculate and recertify to the Governor and the General Assembly the amount of the required State contribution to the System for State fiscal year 2020, taking into account the reduction specified under item (3) of subsection (e) of Section 14-131.

(Source: P.A. 96-1497, eff. 1-14-11; 96-1511, eff. 1-27-11; 97-694, eff. 6-18-12.)

(40 ILCS 5/14-147.5 new)

Sec. 14-147.5. Accelerated pension benefit payment.

(a) As used in this Section:

"Eligible person" means a person who:

(1) has terminated service;

(2) has accrued sufficient service credit to be eligible to receive a retirement annuity under this Article;

(3) has not received any retirement annuity under this Article; and

(4) does not have a QILDRO in effect against him or her under this Article.

"Pension benefit" means the benefits under this Article, or Article 1 as it relates to those benefits, including any anticipated annual increases, that an eligible person is entitled to upon attainment of the applicable retirement age. "Pension benefit" also includes applicable survivor's or disability benefits.

(b) Before January 1, 2019, and annually thereafter, the System shall calculate, using actuarial tables and other assumptions adopted by the Board, the net present value of pension benefits for each eligible person and shall offer each eligible person the opportunity to irrevocably elect to receive an amount determined by the System to be equal to 70% of the net present value of his or her pension benefits in lieu of receiving any pension benefit. The offer shall specify the dollar amount that the eligible person will receive if he or she so elects and shall expire when a subsequent offer is made to an eligible person or when the System determines that 10% of eligible persons in that year have made the election under this subsection, whichever occurs first. The System shall make a good faith effort to contact every eligible person to notify him or her of the election and of the amount of the accelerated pension benefit payment.

Until the System determines that 10% of eligible persons in that year have made the election under this subsection, an eligible person may irrevocably elect to receive an accelerated pension benefit payment in the amount that the System offers under this subsection in lieu of receiving any pension benefit. A person who elects to receive an accelerated pension benefit payment under this Section may not elect to proceed under the Retirement Systems Reciprocal Act with respect to service under this Article.

(c) A person's credits and creditable service under this Article shall be terminated upon the person's receipt of an accelerated pension benefit payment under this Section, and no other benefit shall be paid under this Article based on those terminated credits and creditable service, including any retirement, survivor, or other benefit; except that to the extent that participation, benefits, or premiums under the State Employees Group Insurance Act of 1971 are based on the amount of service credit, the terminated service credit shall be used for that purpose.

(d) If a person who has received an accelerated pension benefit payment under this Section returns to active service under this Article, then:

(1) Any benefits under the System earned as a result of that return to active service shall be based solely on the person's credits and creditable service arising from the return to active service.

(2) The accelerated pension benefit payment may not be repaid to the System, and the terminated credits and creditable service may not under any circumstances be reinstated.

(e) As a condition of receiving an accelerated pension benefit payment, an eligible person must have another retirement plan or account qualified under the Internal Revenue Code of 1986, as amended, for the accelerated pension benefit payment to be rolled into. The accelerated pension benefit payment under this Section may be subject to withholding or payment of applicable taxes, but to the extent permitted by federal law, a person who receives an accelerated pension benefit payment under this Section must direct the System to pay all of that payment as a rollover into another retirement plan or account qualified under the Internal Revenue Code of 1986, as amended.

(f) Before January 1, 2020 and every January 1 thereafter, the Board shall certify to the Illinois Finance Authority and the General Assembly the amount by which the total amount of accelerated pension benefit payments made under this Section exceed the amount appropriated to the System for the purpose of making those payments.

(g) The Board shall adopt any rules necessary to implement this Section.

(h) No provision of this Section shall be interpreted in a way that would cause the applicable System to cease to be a qualified plan under the Internal Revenue Code of 1986.

(i) Notwithstanding any other provision of this Section, in no case shall the total amount of accelerated pension benefit payments paid under this Section, Section 15-185.5, and Section 16-190.5 cause the Illinois Finance Authority to issue more than the \$250,000,000 of State Pension Obligation Acceleration Bonds authorized in subsection (c-5) of Section 801-40 of the Illinois Finance Authority Act.

(40 ILCS 5/14-152.1)

(Text of Section WITHOUT the changes made by P.A. 98-599, which has been held unconstitutional) Sec. 14-152.1. Application and expiration of new benefit increases.

(a) As used in this Section, "new benefit increase" means an increase in the amount of any benefit provided under this Article, or an expansion of the conditions of eligibility for any benefit under this Article, that results from an amendment to this Code that takes effect after June 1, 2005 (the effective date of Public Act 94-4). "New benefit increase", however, does not include any benefit increase resulting from the changes made to this Article by Public Act 96-37 or by this amendatory Act of the 100th General Assembly this amendatory Act of the 96th General Assembly.

(b) Notwithstanding any other provision of this Code or any subsequent amendment to this Code, every new benefit increase is subject to this Section and shall be deemed to be granted only in conformance with and contingent upon compliance with the provisions of this Section.

(c) The Public Act enacting a new benefit increase must identify and provide for payment to the System of additional funding at least sufficient to fund the resulting annual increase in cost to the System as it accrues.

Every new benefit increase is contingent upon the General Assembly providing the additional funding required under this subsection. The Commission on Government Forecasting and Accountability shall analyze whether adequate additional funding has been provided for the new benefit increase and shall report its analysis to the Public Pension Division of the Department of Insurance, Financial and Professional Regulation. A new benefit increase created by a Public Act that does not include the additional funding required under this subsection is null and void. If the Public Pension Division determines that the additional funding provided for a new benefit increase under this subsection is or has become inadequate, it may so certify to the Governor and the State Comptroller and, in the absence of

corrective action by the General Assembly, the new benefit increase shall expire at the end of the fiscal year in which the certification is made.

(d) Every new benefit increase shall expire 5 years after its effective date or on such earlier date as may be specified in the language enacting the new benefit increase or provided under subsection (c). This does not prevent the General Assembly from extending or re-creating a new benefit increase by law.

(e) Except as otherwise provided in the language creating the new benefit increase, a new benefit increase that expires under this Section continues to apply to persons who applied and qualified for the affected benefit while the new benefit increase was in effect and to the affected beneficiaries and alternate payees of such persons, but does not apply to any other person, including without limitation a person who continues in service after the expiration date and did not apply and qualify for the affected benefit while the new benefit increase was in effect.

(Source: P.A. 96-37, eff. 7-13-09.)

(40 ILCS 5/14-155.1 new)

Sec. 14-155.1. Defined contribution plan.

(a) By July 1, 2019, the System shall prepare and implement a voluntary defined contribution plan for up to 5% of eligible active Tier 1 employees. The System shall determine the 5% cap by the number of active Tier 1 employees on the effective date of this Section. The defined contribution plan developed under this Section shall be a plan that aggregates employer and employee contributions in individual participant accounts which, after meeting any other requirements, are used for payouts after retirement in accordance with this Section and any other applicable laws.

As used in this Section, "defined benefit plan" means the retirement plan available under this Article to Tier 1 employees who have not made the election authorized under this Section.

(1) Under the defined contribution plan, an active Tier 1 employee of this System could elect to cease accruing benefits in the defined benefit plan under this Article and begin accruing benefits for future service in the defined contribution plan. Service credit under the defined contribution plan may be used for determining retirement eligibility under the defined benefit plan.

(2) Participants in the defined contribution plan shall pay employee contributions at the same rate as Tier 1 employees in this System who do not participate in the defined contribution plan.

(3) State contributions shall be paid into the accounts of all participants in the defined contribution plan at a uniform rate, expressed as a percentage of compensation and determined for each year. This rate shall be no higher than the employer's normal cost for Tier 1 employees in the defined benefit plan for that year, as determined by the System and expressed as a percentage of compensation, and shall be no lower than 3% of compensation. The State shall adjust this rate annually.

(4) The defined contribution plan shall require 5 years of participation in the defined contribution plan before vesting in State contributions. If the participant fails to vest in them, the State contributions, and the earnings thereon, shall be forfeited.

(5) The defined contribution plan may provide for participants in the plan to be eligible for the defined disability benefits available to other participants under this Article. If it does, the System shall reduce the employee contributions credited to the member's defined contribution plan account by an amount determined by the System to cover the cost of offering such benefits.

(6) The defined contribution plan shall provide a variety of options for investments. These options shall include investments handled by the Illinois State Board of Investment as well as private sector investment options.

(7) The defined contribution plan shall provide a variety of options for payouts to retirees and their survivors.

(8) To the extent authorized under federal law and as authorized by the System, the plan shall allow former participants in the plan to transfer or roll over employee and vested State contributions, and the earnings thereon, into other qualified retirement plans.

(9) The System shall reduce the employee contributions credited to the member's defined contribution plan account by an amount determined by the System to cover the cost of offering these benefits and any applicable administrative fees.

(b) Only persons who are active Tier 1 employees of the System on the effective date of this Section are eligible to participate in the defined contribution plan. Participation in the defined contribution plan shall be limited to the first 5% of eligible persons who elect to participate. The election to participate in the defined contribution plan is voluntary and irrevocable.

(c) An eligible Tier 1 employee may irrevocably elect to participate in the defined contribution plan by filing with the System a written application to participate that is received by the System prior to its determination that 5% of eligible persons have elected to participate in the defined contribution plan.

When the System first determines that 5% of eligible persons have elected to participate in the defined contribution plan, the System shall provide notice to previously eligible employees that the plan is no longer available and shall cease accepting applications to participate.

(d) The System shall make a good faith effort to contact each active Tier 1 employee who is eligible to participate in the defined contribution plan. The System shall mail information describing the option to join the defined contribution plan to each of these employees to his or her last known address on file with the System. If the employee is not responsive to other means of contact, it is sufficient for the System to publish the details of the option on its website.

Upon request for further information describing the option, the System shall provide employees with information from the System before exercising the option to join the plan, including information on the impact to their vested benefits or non-vested service. The individual consultation shall include projections of the member's defined benefits at retirement or earlier termination of service and the value of the member's account at retirement or earlier termination of service. The System shall not provide advice or counseling with respect to whether the employee should exercise the option. The System shall inform Tier 1 employees who are eligible to participate in the defined contribution plan that they may also wish to obtain information and counsel relating to their option from any other available source, including, but not limited to, labor organizations, private counsel, and financial advisors.

(e) In no event shall the System, its staff, its authorized representatives, or the Board be liable for any information given to an employee under this Section. The System may coordinate with the Illinois Department of Central Management Services and other retirement systems administering a defined contribution plan in accordance with this amendatory Act of the 100th General Assembly to provide information concerning the impact of the option set forth in this Section.

(f) Notwithstanding any other provision of this Section, no person shall begin participating in the defined contribution plan until it has attained qualified plan status and received all necessary approvals from the U.S. Internal Revenue Service.

(g) The System shall report on its progress under this Section, including the available details of the defined contribution plan and the System's plans for informing eligible Tier 1 employees about the plan, to the Governor and the General Assembly on or before January 15, 2019.

(h) The Illinois State Board of Investment shall be the plan sponsor for the defined contribution plan established under this Section.

(i) The intent of this amendatory Act of the 100th General Assembly is to ensure that the State's normal cost of participation in the defined contribution plan is similar, and if possible equal, to the State's normal cost of participation in the defined benefit plan, unless a lower State's normal cost is necessary to ensure cost neutrality.

(j) If Section 14-106.5 is determined to be unconstitutional or otherwise invalid by a final unappealable decision of an Illinois court or a court of competent jurisdiction, then this Section shall not take effect and is repealed by operation of law.

(40 ILCS 5/14-155.2 new)

Sec. 14-155.2. Defined contribution plan for certain covered employees.

(a) As used in this Section:

"Defined benefit plan" means the retirement plan available under this Article and Section 1-160 to eligible covered employees who do not make the election authorized under this Section.

"Eligible covered employee" means a covered employee who first becomes a participant under this Article on or after 6 months after the effective date of this amendatory Act of the 100th General Assembly.

(b) In lieu of the defined benefit plan, an eligible covered employee may irrevocably elect to participate in the defined contribution plan under this Section. The election to participate in the defined contribution plan must be made within 30 days after becoming an eligible covered employee. The election to participate in the defined contribution plan under this Section is voluntary and irrevocable.

(c) No later than 5 months after the effective date of this amendatory Act of the 100th General Assembly, the System shall prepare and implement a voluntary defined contribution plan for eligible covered employees. The defined contribution plan developed under this Section shall be a plan that aggregates employer and employee contributions in individual participant accounts which, after meeting any other requirements, are used for payouts after retirement in accordance with this Section and any other applicable laws.

(1) A participant in the defined contribution plan shall contribute a minimum of 3% of his or her compensation to the defined contribution plan.

(2) For persons who participate in the defined contribution plan for at least one year, employer contributions shall be paid into the accounts of those participants at a rate of 3% of compensation.

(3) Employer contributions shall vest when those contributions are paid into a participant's account.

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(4) The defined contribution plan shall provide a variety of options for investments. These options shall include investments handled by the Illinois State Board of Investment as well as private sector investment options.

(5) The defined contribution plan shall provide a variety of options for payouts to retirees and their survivors.

(6) To the extent authorized under federal law and as authorized by the affected pension fund, the defined contribution plan shall allow former participants in the plan to transfer or roll over employee and employer contributions, and the earnings thereon, into other qualified retirement plans.

(7) The System shall reduce the employee contributions credited to the participant's defined contribution plan account by an amount determined by the System to cover the cost of offering the benefits under this Section and any applicable administrative fees.

(40 ILCS 5/14-156.1 new)

Sec. 14-156.1. Defined contribution plan; termination. If the defined contribution plan under Section 14-155.1 is terminated or becomes inoperative pursuant to law, then each participant in the plan shall automatically be deemed to have been a contributing Tier 1 employee in the System's defined benefit plan during the time in which he or she participated in the defined contribution plan, and for that purpose the System shall be entitled to recover the amounts in the participant's defined contribution accounts.

(40 ILCS 5/15-108.1)

Sec. 15-108.1. Tier 1 member; Tier 1 employee.

"Tier 1 member": A participant or an annuitant of a retirement annuity under this Article, other than a participant in the self-managed plan under Section 15-158.2, who first became a participant or member before January 1, 2011 under any reciprocal retirement system or pension fund established under this Code, other than a retirement system or pension fund established under Articles 2, 3, 4, 5, 6, or 18 of this Code. "Tier 1 member" includes a person who first became a participant under this System before January 1, 2011 and who accepts a refund and is subsequently reemployed by an employer on or after January 1, 2011.

"Tier 1 employee": A Tier 1 member who is a participating employee, unless he or she is a disability benefit recipient under Section 15-150. However, for the purposes of the election under Section 15-132.9, "Tier 1 employee" does not include an individual who has made an irrevocable election on or before June 1, 2017 to retire from service pursuant to the terms of an employment contract or a collective bargaining agreement in effect on June 1, 2017, excluding any extension, amendment, or renewal of that agreement on or after that date, and has notified the System of that election.

(Source: P.A. 98-92, eff. 7-16-13.)

(40 ILCS 5/15-108.2)

Sec. 15-108.2. Tier 2 member. "Tier 2 member": A person who first becomes a participant under this Article on or after January 1, 2011 and before 6 months after the effective date of this amendatory Act of the 100th General Assembly, other than a person in the self-managed plan established under Section 15-158.2 or a person who makes the election under subsection (c) of Section 1-161, unless the person is otherwise a Tier 1 member. The changes made to this Section by this amendatory Act of the 98th General Assembly are a correction of existing law and are intended to be retroactive to the effective date of Public Act 96-889, notwithstanding the provisions of Section 1-103.1 of this Code.

(Source: P.A. 98-92, eff. 7-16-13; 98-596, eff. 11-19-13.)

(40 ILCS 5/15-111) (from Ch. 108 1/2, par. 15-111)

Sec. 15-111. Earnings.

(a) "Earnings": Subject to Section 15-111.5, an amount paid for personal services equal to the sum of the basic compensation plus extra compensation for summer teaching, overtime or other extra service. For periods for which an employee receives service credit under subsection (c) of Section 15-113.1 or Section 15-113.2, earnings are equal to the basic compensation on which contributions are paid by the employee during such periods. Compensation for employment which is irregular, intermittent and temporary shall not be considered earnings, unless the participant is also receiving earnings from the employer as an employee under Section 15-107.

With respect to transition pay paid by the University of Illinois to a person who was a participating employee employed in the fire department of the University of Illinois's Champaign-Urbana campus immediately prior to the elimination of that fire department:

(1) "Earnings" includes transition pay paid to the employee on or after the effective date of this amendatory Act of the 91st General Assembly.

(2) "Earnings" includes transition pay paid to the employee before the effective date of this amendatory Act of the 91st General Assembly only if (i) employee contributions under Section 15-157 have been withheld from that transition pay or (ii) the employee pays to the System before January

1, 2001 an amount representing employee contributions under Section 15-157 on that transition pay. Employee contributions under item (ii) may be paid in a lump sum, by withholding from additional transition pay accruing before January 1, 2001, or in any other manner approved by the System. Upon payment of the employee contributions on transition pay, the corresponding employer contributions become an obligation of the State.

(a-5) Notwithstanding any other provision of this Section, "earnings" does not include any future increase in income that is offered for service by an employer to a Tier 1 employee under this Article pursuant to the condition set forth in subsection (c) of Section 15-132.9 and accepted under that condition by a Tier 1 employee who has made the election under paragraph (2) of subsection (a) of Section 15-132.9.

(a-10) Notwithstanding any other provision of this Section, "earnings" does not include any consideration payment made to a Tier 1 employee.

(b) For a Tier 2 member, the annual earnings shall not exceed \$106,800; however, that amount shall annually thereafter be increased by the lesser of (i) 3% of that amount, including all previous adjustments, or (ii) one half the annual unadjusted percentage increase (but not less than zero) in the consumer price index-u for the 12 months ending with the September preceding each November 1, including all previous adjustments.

For the purposes of this Section, "consumer price index u" means the index published by the Bureau of Labor Statistics of the United States Department of Labor that measures the average change in prices of goods and services purchased by all urban consumers, United States city average, all items, 1982-84 = 100. The new amount resulting from each annual adjustment shall be determined by the Public Pension Division of the Department of Insurance and made available to the boards of the retirement systems and pension funds by November 1 of each year.

(c) With each submission of payroll information in the manner prescribed by the System, the employer shall certify that the payroll information is correct and complies with all applicable State and federal laws. (Source: P.A. 98-92, eff. 7-16-13; 99-897, eff. 1-1-17.)

(40 ILCS 5/15-112.1 new)

Sec. 15-112.1. Future increase in income. "Future increase in income" means an increase to a Tier 1 employee's base pay that is offered by an employer to the Tier 1 employee for service under this Article after June 30, 2018 that qualifies as "earnings", as defined in Section 15-111, or would qualify as "earnings" but for the fact that it was offered to and accepted by the Tier 1 employee under the condition set forth in subsection (c) of Section 15-132.9. The term "future increase in income" includes an increase to a Tier 1 employee's base pay that is paid to the Tier 1 employee pursuant to an extension, amendment, or renewal of any such employment contract or collective bargaining agreement after the effective date of this Section.

(40 ILCS 5/15-112.2 new)

Sec. 15-112.2. Base pay. As used in Section 15-112.1 of this Code, "base pay" means the greater of either (i) the Tier 1 employee's annualized rate of earnings as of June 30, 2018, or (ii) the Tier 1 employee's annualized rate of earnings immediately preceding the expiration, renewal, or amendment of an employment contract or collective bargaining agreement in effect on the effective date of this Section. For a person returning to participating employee status as a Tier 1 employee after June 30, 2018, however, "base pay" means the employee's annualized rate of earnings as of the employee's last date of service prior to July 1, 2018. The System shall calculate the base pay of each Tier 1 employee pursuant to this Section.

(40 ILCS 5/15-132.9 new)

Sec. 15-132.9. Election by Tier 1 employees.

(a) Each Tier 1 employee shall make an irrevocable election either:

(1) to agree to delay his or her eligibility for automatic annual increases in retirement annuity as provided in subsection (d-1) of Section 15-136 and to have the amount of the automatic annual increases in his or her retirement annuity and survivor annuity that are otherwise provided for in this Article calculated, instead, as provided in subsection (d-1) of Section 15-136; or

(2) to not agree to the provisions of paragraph (1) of this subsection.

The election required under this subsection (a) shall be made by each Tier 1 employee no earlier than January 1, 2018 and no later than March 31, 2018, except that:

(i) a person who becomes a Tier 1 employee under this Article on or after January 1, 2018 must make the election under this subsection (a) within 60 days after becoming a Tier 1 employee;

(ii) a person who returns to participating employee status as a Tier 1 employee under this Article on or after January 1, 2018 and has not yet made an election under this Section must make the election under this subsection (a) within 60 days after returning to participating employee status as a Tier 1 employee; and

(iii) a person who returns to participating employee status as a Tier 1 employee under this Article but who has not made an election under Section 15-134.5 must make the election under this subsection (a) at the same time as the election under Section 15-134.5 and within the timeframes required by that Section.

If a Tier 1 employee fails for any reason to make a required election under this subsection within the time specified, then the employee shall be deemed to have made the election under paragraph (2) of this subsection.

(a-5) If this Section is enjoined or stayed by an Illinois court or a court of competent jurisdiction pending the entry of a final and unappealable decision, and this Section is determined to be constitutional or otherwise valid by a final unappealable decision of an Illinois court or a court of competent jurisdiction, then the election procedure set forth in subsection (a) of this Section shall commence on the 180th calendar day after the date of the issuance of the final unappealable decision and shall conclude at the end of the 270th calendar day after that date.

(a-10) All elections under subsection (a) that are made or deemed to be made before July 1, 2018 shall take effect on July 1, 2018. Elections that are made or deemed to be made on or after July 1, 2018 shall take effect on the first day of the month following the month in which the election is made or deemed to be made.

(b) As adequate and legal consideration provided under this amendatory Act of the 100th General Assembly for making an election under paragraph (1) of subsection (a) of this Section, the employer shall be expressly and irrevocably prohibited from offering any future increases in income to a Tier 1 employee who has made an election under paragraph (1) of subsection (a) of this Section on the condition of not constituting earnings under Section 15-111.

As adequate and legal consideration provided under this amendatory Act of the 100th General Assembly for making an election under paragraph (1) of subsection (a) of this Section, each Tier 1 employee who has made an election under paragraph (1) of subsection (a) of this Section shall receive a consideration payment equal to 10% of the contributions made by or on behalf of the employee under Section 15-157 before the effective date of that election. The State Comptroller shall pay the consideration payment to the Tier 1 employee out of funds appropriated for that purpose under Section 1.9 of the State Pension Funds Continuing Appropriation Act. The System shall calculate the amount of each consideration payment and, by July 1, 2018, shall certify to the State Comptroller the amount of the consideration payment, together with the name, address, and any other available payment information of the Tier 1 employee as found in the records of the System. The System shall make additional calculations and certifications of consideration payments to the State Comptroller as the System deems necessary.

(c) A Tier 1 employee who makes the election under paragraph (2) of subsection (a) of this Section shall not be subject to paragraph (1) of subsection (a) of this Section. However, each future increase in income offered by an employer under this Article to a Tier 1 employee who has made the election under paragraph (2) of subsection (a) of this Section shall be offered by the employer expressly and irrevocably on the condition of not constituting earnings under Section 15-111 and that the Tier 1 employee's acceptance of the offered future increase in income shall constitute his or her agreement to that condition.

(d) The System shall make a good faith effort to contact each Tier 1 employee subject to this Section. The System shall mail information describing the required election to each Tier 1 employee by United States Postal Service mail to his or her last known address on file with the System. If the Tier 1 employee is not responsive to other means of contact, it is sufficient for the System to publish the details of any required elections on its website or to publish those details in a regularly published newsletter or other existing public forum.

Tier 1 employees who are subject to this Section shall be provided with an election packet containing information regarding their options, as well as the forms necessary to make the required election. Upon request, the System shall offer Tier 1 employees an opportunity to receive information from the System before making the required election. The information may consist of video materials, benefit estimators, group presentations, individual consultation with a member or authorized representative of the System in person or by telephone or other electronic means, or any combination of these methods. The System shall not provide advice or counseling with respect to which election a Tier 1 employee should make or specific to the legal or tax circumstances of or consequences to the Tier 1 employee.

The System shall inform Tier 1 employees in the election packet required under this subsection that the Tier 1 employee may also wish to obtain information and counsel relating to the election required under this Section from any other available source, including, but not limited to, labor organizations and private counsel.

In no event shall the System, its staff, or the Board be held liable for any information given to a member regarding the elections under this Section. The System shall coordinate with the Illinois Department of Central Management Services and each other retirement system administering an election in accordance



with this amendatory Act of the 100th General Assembly to provide information concerning the impact of the election set forth in this Section.

(e) Notwithstanding any other provision of law, an employer under this Article is required to offer each future increase in income expressly and irrevocably on the condition of not constituting "earnings" under Section 15-111 to any Tier 1 employee who has made an election under paragraph (2) of subsection (a) of this Section. The offer shall also provide that the Tier 1 employee's acceptance of the offered future increase in income shall constitute his or her agreement to the condition set forth in this subsection.

For purposes of legislative intent, the condition set forth in this subsection shall be construed in a manner that ensures that the condition is not violated or circumvented through any contrivance of any kind.

(f) A member's election under this Section is not a prohibited election under subdivision (j)(1) of Section 1-119 of this Code.

(g) No provision of this Section shall be interpreted in a way that would cause the System to cease to be a qualified plan under Section 401(a) of the Internal Revenue Code of 1986.

(h) If an election created by this amendatory Act in any other Article of this Code or any change deriving from that election is determined to be unconstitutional or otherwise invalid by a final unappealable decision of an Illinois court or a court of competent jurisdiction, the invalidity of that provision shall not in any way affect the validity of this Section or the changes deriving from the election required under this Section.

(40 ILCS 5/15-136) (from Ch. 108 1/2, par. 15-136)

(Text of Section WITHOUT the changes made by P.A. 98-599, which has been held unconstitutional) Sec. 15-136. Retirement annuities - Amount. The provisions of this Section 15-136 apply only to those participants who are participating in the traditional benefit package or the portable benefit package and do not apply to participants who are participating in the self-managed plan.

(a) The amount of a participant's retirement annuity, expressed in the form of a single-life annuity, shall be determined by whichever of the following rules is applicable and provides the largest annuity:

Rule 1: The retirement annuity shall be 1.67% of final rate of earnings for each of the first 10 years of service, 1.90% for each of the next 10 years of service, 2.10% for each year of service in excess of 20 but not exceeding 30, and 2.30% for each year in excess of 30; or for persons who retire on or after January 1, 1998, 2.2% of the final rate of earnings for each year of service.

Rule 2: The retirement annuity shall be the sum of the following, determined from amounts credited to the participant in accordance with the actuarial tables and the effective rate of interest in effect at the time the retirement annuity begins:

(i) the normal annuity which can be provided on an actuarially equivalent basis, by the accumulated normal contributions as of the date the annuity begins;

(ii) an annuity from employer contributions of an amount equal to that which can be provided on an actuarially equivalent basis from the accumulated normal contributions made by the participant under Section 15-113.6 and Section 15-113.7 plus 1.4 times all other accumulated normal contributions made by the participant; and

(iii) the annuity that can be provided on an actuarially equivalent basis from the entire contribution made by the participant under Section 15-113.3.

With respect to a police officer or firefighter who retires on or after August 14, 1998, the accumulated normal contributions taken into account under clauses (i) and (ii) of this Rule 2 shall include the additional normal contributions made by the police officer or firefighter under Section 15-157(a).

The amount of a retirement annuity calculated under this Rule 2 shall be computed solely on the basis of the participant's accumulated normal contributions, as specified in this Rule and defined in Section 15-116. Neither an employee or employer contribution for early retirement under Section 15-136.2 nor any other employer contribution shall be used in the calculation of the amount of a retirement annuity under this Rule 2.

This amendatory Act of the 91st General Assembly is a clarification of existing law and applies to every participant and annuitant without regard to whether status as an employee terminates before the effective date of this amendatory Act.

This Rule 2 does not apply to a person who first becomes an employee under this Article on or after July 1, 2005.

Rule 3: The retirement annuity of a participant who is employed at least one-half time during the period on which his or her final rate of earnings is based, shall be equal to the participant's years of service not to exceed 30, multiplied by (1) \$96 if the participant's final rate of earnings is less than \$3,500, (2) \$108 if the final rate of earnings is at least \$3,500 but less than \$4,500, (3) \$120 if the final rate of earnings is at least \$4,500 but less than \$5,500, (4) \$132 if the final rate of earnings is at least \$5,500 but less than \$6,500, (5) \$144 if the final rate of earnings is at least \$6,500 but less than \$7,500, (6) \$156 if the final

rate of earnings is at least \$7,500 but less than \$8,500, (7) \$168 if the final rate of earnings is at least \$8,500 but less than \$9,500, and (8) \$180 if the final rate of earnings is \$9,500 or more, except that the annuity for those persons having made an election under Section 15-154(a-1) shall be calculated and payable under the portable retirement benefit program pursuant to the provisions of Section 15-136.4.

Rule 4: A participant who is at least age 50 and has 25 or more years of service as a police officer or firefighter, and a participant who is age 55 or over and has at least 20 but less than 25 years of service as a police officer or firefighter, shall be entitled to a retirement annuity of 2 1/4% of the final rate of earnings for each of the first 10 years of service as a police officer or firefighter, 2 1/2% for each of the next 10 years of service as a police officer or firefighter, and 2 3/4% for each year of service as a police officer or firefighter in excess of 20. The retirement annuity for all other service shall be computed under Rule 1. A Tier 2 member is eligible for a retirement annuity calculated under Rule 4 only if that Tier 2 member meets the service requirements for that benefit calculation as prescribed under this Rule 4 in addition to the applicable age requirement under subsection (a-5) of Section 15-135.

For purposes of this Rule 4, a participant's service as a firefighter shall also include the following:

(i) service that is performed while the person is an employee under subsection (h) of Section 15-107; and

(ii) in the case of an individual who was a participating employee employed in the fire department of the University of Illinois's Champaign-Urbana campus immediately prior to the elimination of that fire department and who immediately after the elimination of that fire department transferred to another job with the University of Illinois, service performed as an employee of the University of Illinois in a position other than police officer or firefighter, from the date of that transfer until the employee's next termination of service with the University of Illinois.

(b) For a Tier 1 member, the retirement annuity provided under Rules 1 and 3 above shall be reduced by 1/2 of 1% for each month the participant is under age 60 at the time of retirement. However, this reduction shall not apply in the following cases:

(1) For a disabled participant whose disability benefits have been discontinued because he or she has exhausted eligibility for disability benefits under clause (6) of Section 15-152;

(2) For a participant who has at least the number of years of service required to retire at any age under subsection (a) of Section 15-135; or

(3) For that portion of a retirement annuity which has been provided on account of service of the participant during periods when he or she performed the duties of a police officer or firefighter, if these duties were performed for at least 5 years immediately preceding the date the retirement annuity is to begin.

(b-5) The retirement annuity of a Tier 2 member who is retiring after attaining age 62 with at least 10 years of service credit shall be reduced by 1/2 of 1% for each full month that the member's age is under age 67.

(c) The maximum retirement annuity provided under Rules 1, 2, 4, and 5 shall be the lesser of (1) the annual limit of benefits as specified in Section 415 of the Internal Revenue Code of 1986, as such Section may be amended from time to time and as such benefit limits shall be adjusted by the Commissioner of Internal Revenue, and (2) 80% of final rate of earnings.

(d) Subject to the provisions of subsection (d-1), a Tier 1 member whose status as an employee terminates after August 14, 1969 shall receive automatic increases in his or her retirement annuity as follows:

Effective January 1 immediately following the date the retirement annuity begins, the annuitant shall receive an increase in his or her monthly retirement annuity of 0.125% of the monthly retirement annuity provided under Rule 1, Rule 2, Rule 3, or Rule 4 contained in this Section, multiplied by the number of full months which elapsed from the date the retirement annuity payments began to January 1, 1972, plus 0.1667% of such annuity, multiplied by the number of full months which elapsed from January 1, 1972, or the date the retirement annuity payments began, whichever is later, to January 1, 1978, plus 0.25% of such annuity multiplied by the number of full months which elapsed from January 1, 1978, or the date the retirement annuity payments began, whichever is later, to the effective date of the increase.

The annuitant shall receive an increase in his or her monthly retirement annuity on each January 1 thereafter during the annuitant's life of 3% of the monthly annuity provided under Rule 1, Rule 2, Rule 3, or Rule 4 contained in this Section. The change made under this subsection by P.A. 81-970 is effective January 1, 1980 and applies to each annuitant whose status as an employee terminates before or after that date.

Beginning January 1, 1990, and except as provided in subsection (d-1), all automatic annual increases payable under this Section shall be calculated as a percentage of the total annuity payable at the time of the increase, including all increases previously granted under this Article.

The change made in this subsection by P.A. 85-1008 is effective January 26, 1988, and is applicable without regard to whether status as an employee terminated before that date.

(d-1) Notwithstanding any other provision of this Article, for a Tier 1 employee who made the election under paragraph (1) of subsection (a) of Section 15-132.9:

(1) The initial increase in retirement annuity under this Section shall occur on the January 1 occurring either on or after the attainment of age 67 or the fifth anniversary of the annuity start date, whichever is earlier.

(2) The amount of each automatic annual increase in retirement annuity or survivor annuity occurring on or after the effective date of that election shall be calculated as a percentage of the originally granted retirement annuity or survivor annuity, equal to 3% or one-half the annual unadjusted percentage increase (but not less than zero) in the consumer price index-u for the 12 months ending with the September preceding each November 1, whichever is less. If the annual unadjusted percentage change in the consumer price index-u for the 12 months ending with the September preceding each November 1 is zero or there is a decrease, then the annuity shall not be increased.

For the purposes of this Section, "consumer price index-u" means the index published by the Bureau of Labor Statistics of the United States Department of Labor that measures the average change in prices of goods and services purchased by all urban consumers, United States city average, all items, 1982-84 = 100. The new amount resulting from each annual adjustment shall be determined by the Public Pension Division of the Department of Insurance and made available to the board of the retirement system by November 1 of each year.

(d-5) A retirement annuity of a Tier 2 member shall receive annual increases on the January 1 occurring either on or after the attainment of age 67 or the first anniversary of the annuity start date, whichever is later. Each annual increase shall be calculated at 3% or one half the annual unadjusted percentage increase (but not less than zero) in the consumer price index-u for the 12 months ending with the September preceding each November 1, whichever is less, of the originally granted retirement annuity. If the annual unadjusted percentage change in the consumer price index-u for the 12 months ending with the September preceding each November 1 is zero or there is a decrease, then the annuity shall not be increased.

(e) If, on January 1, 1987, or the date the retirement annuity payment period begins, whichever is later, the sum of the retirement annuity provided under Rule 1 or Rule 2 of this Section and the automatic annual increases provided under the preceding subsection or Section 15-136.1, amounts to less than the retirement annuity which would be provided by Rule 3, the retirement annuity shall be increased as of January 1, 1987, or the date the retirement annuity payment period begins, whichever is later, to the amount which would be provided by Rule 3 of this Section. Such increased amount shall be considered as the retirement annuity in determining benefits provided under other Sections of this Article. This paragraph applies without regard to whether status as an employee terminated before the effective date of this amendatory Act of 1987, provided that the annuitant was employed at least one-half time during the period on which the final rate of earnings was based.

(f) A participant is entitled to such additional annuity as may be provided on an actuarially equivalent basis, by any accumulated additional contributions to his or her credit. However, the additional contributions made by the participant toward the automatic increases in annuity provided under this Section shall not be taken into account in determining the amount of such additional annuity.

(g) If, (1) by law, a function of a governmental unit, as defined by Section 20-107 of this Code, is transferred in whole or in part to an employer, and (2) a participant transfers employment from such governmental unit to such employer within 6 months after the transfer of the function, and (3) the sum of (A) the annuity payable to the participant under Rule 1, 2, or 3 of this Section (B) all proportional annuities payable to the participant by all other retirement systems covered by Article 20, and (C) the initial primary insurance amount to which the participant is entitled under the Social Security Act, is less than the retirement annuity which would have been payable if all of the participant's pension credits validated under Section 20-109 had been validated under this system, a supplemental annuity equal to the difference in such amounts shall be payable to the participant.

(h) On January 1, 1981, an annuitant who was receiving a retirement annuity on or before January 1, 1971 shall have his or her retirement annuity then being paid increased \$1 per month for each year of creditable service. On January 1, 1982, an annuitant whose retirement annuity began on or before January 1, 1977, shall have his or her retirement annuity then being paid increased \$1 per month for each year of creditable service.

(i) On January 1, 1987, any annuitant whose retirement annuity began on or before January 1, 1977, shall have the monthly retirement annuity increased by an amount equal to 8¢ per year of creditable service times the number of years that have elapsed since the annuity began.

(Source: P.A. 97-933, eff. 8-10-12; 97-968, eff. 8-16-12; 98-92, eff. 7-16-13.)

(40 ILCS 5/15-155) (from Ch. 108 1/2, par. 15-155)

Sec. 15-155. Employer contributions.

(a) The State of Illinois shall make contributions by appropriations of amounts which, together with the other employer contributions from trust, federal, and other funds, employee contributions, income from investments, and other income of this System, will be sufficient to meet the cost of maintaining and administering the System on a 90% funded basis in accordance with actuarial recommendations.

The Board shall determine the amount of State contributions required for each fiscal year on the basis of the actuarial tables and other assumptions adopted by the Board and the recommendations of the actuary, using the formula in subsection (a-1).

(a-1) For State fiscal years 2018 through 2045 (except as otherwise provided for fiscal year 2019), the minimum contribution to the System to be made by the State for each fiscal year shall be an amount determined by the System to be sufficient to bring the total assets of the System up to 90% of the total actuarial liabilities of the System by the end of State fiscal year 2045. In making these determinations, the required State contribution shall be calculated each year as a level percentage of total payroll, including payroll that is not deemed pensionable, but excluding payroll attributable to participants in the defined contribution plan under Section 15-200.1, over the years remaining to and including fiscal year 2045 and shall be determined under the projected unit credit actuarial cost method.

For State fiscal year 2019:

(1) The initial calculation and certification shall be based on the amount determined above.

(2) For purposes of the recertification due on or before May 1, 2018, the recalculation of the required State contribution for fiscal year 2019 shall take into account the effect on the System's liabilities of the elections made under Section 15-132.9.

(3) For purposes of the recertification due on or before October 1, 2018, the total required State contribution for fiscal year 2019 shall be reduced by the amount of the consideration payments made to Tier 1 employees who made the election under paragraph (1) of subsection (a) of Section 15-132.9.

Beginning in State fiscal year 2018, any increase or decrease in State contribution over the prior fiscal year due exclusively to changes in actuarial or investment assumptions adopted by the Board shall be included in the State contribution to the System, as a percentage of the applicable employee payroll, and shall be increased in equal annual increments so that by the State fiscal year occurring 5 years after the adoption of the actuarial or investment assumptions, the State is contributing at the rate otherwise required under this Section.

For State fiscal years 2012 through ~~2017~~ 2045, the minimum contribution to the System to be made by the State for each fiscal year shall be an amount determined by the System to be sufficient to bring the total assets of the System up to 90% of the total actuarial liabilities of the System by the end of State fiscal year 2045. In making these determinations, the required State contribution shall be calculated each year as a level percentage of payroll over the years remaining to and including fiscal year 2045 and shall be determined under the projected unit credit actuarial cost method.

For State fiscal years 1996 through 2005, the State contribution to the System, as a percentage of the applicable employee payroll, shall be increased in equal annual increments so that by State fiscal year 2011, the State is contributing at the rate required under this Section.

Notwithstanding any other provision of this Article, the total required State contribution for State fiscal year 2006 is \$166,641,900.

Notwithstanding any other provision of this Article, the total required State contribution for State fiscal year 2007 is \$252,064,100.

For each of State fiscal years 2008 through 2009, the State contribution to the System, as a percentage of the applicable employee payroll, shall be increased in equal annual increments from the required State contribution for State fiscal year 2007, so that by State fiscal year 2011, the State is contributing at the rate otherwise required under this Section.

Notwithstanding any other provision of this Article, the total required State contribution for State fiscal year 2010 is \$702,514,000 and shall be made from the State Pensions Fund and proceeds of bonds sold in fiscal year 2010 pursuant to Section 7.2 of the General Obligation Bond Act, less (i) the pro rata share of bond sale expenses determined by the System's share of total bond proceeds, (ii) any amounts received from the General Revenue Fund in fiscal year 2010, (iii) any reduction in bond proceeds due to the issuance of discounted bonds, if applicable.

Notwithstanding any other provision of this Article, the total required State contribution for State fiscal year 2011 is the amount recertified by the System on or before April 1, 2011 pursuant to Section 15-165 and shall be made from the State Pensions Fund and proceeds of bonds sold in fiscal year 2011 pursuant to Section 7.2 of the General Obligation Bond Act, less (i) the pro rata share of bond sale expenses determined by the System's share of total bond proceeds, (ii) any amounts received from the General

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Revenue Fund in fiscal year 2011, and (iii) any reduction in bond proceeds due to the issuance of discounted bonds, if applicable.

Beginning in State fiscal year 2046, the minimum State contribution for each fiscal year shall be the amount needed to maintain the total assets of the System at 90% of the total actuarial liabilities of the System.

Amounts received by the System pursuant to Section 25 of the Budget Stabilization Act or Section 8.12 of the State Finance Act in any fiscal year do not reduce and do not constitute payment of any portion of the minimum State contribution required under this Article in that fiscal year. Such amounts shall not reduce, and shall not be included in the calculation of, the required State contributions under this Article in any future year until the System has reached a funding ratio of at least 90%. A reference in this Article to the "required State contribution" or any substantially similar term does not include or apply to any amounts payable to the System under Section 25 of the Budget Stabilization Act.

Notwithstanding any other provision of this Section, the required State contribution for State fiscal year 2005 and for fiscal year 2008 and each fiscal year thereafter, as calculated under this Section and certified under Section 15-165, shall not exceed an amount equal to (i) the amount of the required State contribution that would have been calculated under this Section for that fiscal year if the System had not received any payments under subsection (d) of Section 7.2 of the General Obligation Bond Act, minus (ii) the portion of the State's total debt service payments for that fiscal year on the bonds issued in fiscal year 2003 for the purposes of that Section 7.2, as determined and certified by the Comptroller, that is the same as the System's portion of the total moneys distributed under subsection (d) of Section 7.2 of the General Obligation Bond Act. In determining this maximum for State fiscal years 2008 through 2010, however, the amount referred to in item (i) shall be increased, as a percentage of the applicable employee payroll, in equal increments calculated from the sum of the required State contribution for State fiscal year 2007 plus the applicable portion of the State's total debt service payments for fiscal year 2007 on the bonds issued in fiscal year 2003 for the purposes of Section 7.2 of the General Obligation Bond Act, so that, by State fiscal year 2011, the State is contributing at the rate otherwise required under this Section.

(a-2) For employees first hired on or after 6 months after the effective date of this amendatory Act of the 100th General Assembly who have elected the benefits under Section 1-161 of this Code, the employer shall annually contribute an amount, expressed as a percentage of payroll, equal to the defined benefit normal cost of the defined benefit plan, less the employee contribution, plus 2%. On an annual basis, the System shall certify to each employer the amount of unfunded liability accrued in the employer's account to be paid by the employer so that the System is 90% funded by the end of State fiscal year 2045. The contributions shall be divided equally over a 12-month period and made monthly. The employer shall also contribute an amount equal to the employer defined contribution, as set on an individual employee basis, under paragraph (2) of subsection (k) of Section 1-161 during each pay period. The System shall have the authority to adopt rules regarding implementation of employer contributions.

(b) If an employee is paid from trust or federal funds, the employer shall pay to the Board contributions from those funds which are sufficient to cover the accruing normal costs on behalf of the employee. However, universities having employees who are compensated out of local auxiliary funds, income funds, or service enterprise funds are not required to pay such contributions on behalf of those employees. The local auxiliary funds, income funds, and service enterprise funds of universities shall not be considered trust funds for the purpose of this Article, but funds of alumni associations, foundations, and athletic associations which are affiliated with the universities included as employers under this Article and other employers which do not receive State appropriations are considered to be trust funds for the purpose of this Article.

(b-1) The City of Urbana and the City of Champaign shall each make employer contributions to this System for their respective firefighter employees who participate in this System pursuant to subsection (h) of Section 15-107. The rate of contributions to be made by those municipalities shall be determined annually by the Board on the basis of the actuarial assumptions adopted by the Board and the recommendations of the actuary, and shall be expressed as a percentage of salary for each such employee. The Board shall certify the rate to the affected municipalities as soon as may be practical. The employer contributions required under this subsection shall be remitted by the municipality to the System at the same time and in the same manner as employee contributions.

(c) Through State fiscal year 1995: The total employer contribution shall be apportioned among the various funds of the State and other employers, whether trust, federal, or other funds, in accordance with actuarial procedures approved by the Board. State of Illinois contributions for employers receiving State appropriations for personal services shall be payable from appropriations made to the employers or to the System. The contributions for Class I community colleges covering earnings other than those paid from

trust and federal funds, shall be payable solely from appropriations to the Illinois Community College Board or the System for employer contributions.

(d) Beginning in State fiscal year 1996, the required State contributions to the System shall be appropriated directly to the System and shall be payable through vouchers issued in accordance with subsection (c) of Section 15-165, except as provided in subsection (g).

(e) The State Comptroller shall draw warrants payable to the System upon proper certification by the System or by the employer in accordance with the appropriation laws and this Code.

(f) Normal costs under this Section means liability for pensions and other benefits which accrues to the System because of the credits earned for service rendered by the participants during the fiscal year and expenses of administering the System, but shall not include the principal of or any redemption premium or interest on any bonds issued by the Board or any expenses incurred or deposits required in connection therewith.

(g) For academic years beginning on or after June 1, 2005 and before July 1, 2018, if the amount of a participant's earnings for any academic year used to determine the final rate of earnings, determined on a full-time equivalent basis, exceeds the amount of his or her earnings with the same employer for the previous academic year, determined on a full-time equivalent basis, by more than 6%, the participant's employer shall pay to the System, in addition to all other payments required under this Section and in accordance with guidelines established by the System, the present value of the increase in benefits resulting from the portion of the increase in earnings that is in excess of 6%. This present value shall be computed by the System on the basis of the actuarial assumptions and tables used in the most recent actuarial valuation of the System that is available at the time of the computation. The System may require the employer to provide any pertinent information or documentation.

Whenever it determines that a payment is or may be required under this subsection (g), the System shall calculate the amount of the payment and bill the employer for that amount. The bill shall specify the calculations used to determine the amount due. If the employer disputes the amount of the bill, it may, within 30 days after receipt of the bill, apply to the System in writing for a recalculation. The application must specify in detail the grounds of the dispute and, if the employer asserts that the calculation is subject to subsection (h) or (i) of this Section, must include an affidavit setting forth and attesting to all facts within the employer's knowledge that are pertinent to the applicability of subsection (h) or (i). Upon receiving a timely application for recalculation, the System shall review the application and, if appropriate, recalculate the amount due.

The employer contributions required under this subsection (g) may be paid in the form of a lump sum within 90 days after receipt of the bill. If the employer contributions are not paid within 90 days after receipt of the bill, then interest will be charged at a rate equal to the System's annual actuarially assumed rate of return on investment compounded annually from the 91st day after receipt of the bill. Payments must be concluded within 3 years after the employer's receipt of the bill.

When assessing payment for any amount due under this subsection (g), the System shall include earnings, to the extent not established by a participant under Section 15-113.11 or 15-113.12, that would have been paid to the participant had the participant not taken (i) periods of voluntary or involuntary furlough occurring on or after July 1, 2015 and on or before June 30, 2017 or (ii) periods of voluntary pay reduction in lieu of furlough occurring on or after July 1, 2015 and on or before June 30, 2017. Determining earnings that would have been paid to a participant had the participant not taken periods of voluntary or involuntary furlough or periods of voluntary pay reduction shall be the responsibility of the employer, and shall be reported in a manner prescribed by the System.

(g-1) For academic years beginning on or after July 1, 2018, if the amount of a participant's earnings for any academic year used to determine the final rate of earnings, determined on a full-time equivalent basis, exceeds the amount of his or her earnings with the same employer for the previous academic year, determined on a full-time equivalent basis, by more than the unadjusted percentage increase in the consumer price index-u for the calendar year immediately preceding the beginning of the academic year, published by the Public Pension Division of the Department of Insurance by November 1 of each year, then the participant's employer shall pay to the System, in addition to all other payments required under this Section and in accordance with guidelines established by the System, the present value of the increase in benefits resulting from the portion of the increase in earnings that is in excess of the unadjusted percentage increase in the consumer price index-u for the applicable calendar year. This present value shall be computed by the System on the basis of the actuarial assumptions and tables used in the most recent actuarial valuation of the System that is available at the time of the computation. The System may require the employer to provide any pertinent information or documentation.

Whenever it determines that a payment is or may be required under this subsection (g-1), the System shall calculate the amount of the payment and bill the employer for that amount. The bill shall specify the

calculations used to determine the amount due. If the employer disputes the amount of the bill, it may, within 30 days after receipt of the bill, apply to the System in writing for a recalculation. The application must specify in detail the grounds of the dispute and, if the employer asserts that the calculation is subject to subsection (i-1) of this Section, must include an affidavit setting forth and attesting to all facts within the employer's knowledge that are pertinent to the applicability of subsection (i-1). Upon receiving a timely application for recalculation, the System shall review the application and, if appropriate, recalculate the amount due.

The employer contributions required under this subsection (g-1) may be paid in the form of a lump sum within 90 days after receipt of the bill. If the employer contributions are not paid within 90 days after receipt of the bill, then interest shall be charged at a rate equal to the System's annual actuarially assumed rate of return on investment compounded annually from the 91st day after receipt of the bill. Payments must be concluded within 3 years after the employer's receipt of the bill.

For the purposes of this Section, "consumer price index-u" means the index published by the Bureau of Labor Statistics of the United States Department of Labor that measures the average change in prices of goods and services purchased by all urban consumers, United States city average, all items, 1982-84 = 100. The new amount resulting from each annual adjustment shall be determined by the Public Pension Division of the Department of Insurance and made available to the boards of the retirement systems and pension funds by November 1 of each year.

(h) This subsection (h) applies only to payments made or salary increases given on or after June 1, 2005 but before July 1, 2011. The changes made by Public Act 94-1057 shall not require the System to refund any payments received before July 31, 2006 (the effective date of Public Act 94-1057).

When assessing payment for any amount due under subsection (g), the System shall exclude earnings increases paid to participants under contracts or collective bargaining agreements entered into, amended, or renewed before June 1, 2005.

When assessing payment for any amount due under subsection (g), the System shall exclude earnings increases paid to a participant at a time when the participant is 10 or more years from retirement eligibility under Section 15-135.

When assessing payment for any amount due under subsection (g), the System shall exclude earnings increases resulting from overload work, including a contract for summer teaching, or overtime when the employer has certified to the System, and the System has approved the certification, that: (i) in the case of overloads (A) the overload work is for the sole purpose of academic instruction in excess of the standard number of instruction hours for a full-time employee occurring during the academic year that the overload is paid and (B) the earnings increases are equal to or less than the rate of pay for academic instruction computed using the participant's current salary rate and work schedule; and (ii) in the case of overtime, the overtime was necessary for the educational mission.

When assessing payment for any amount due under subsection (g), the System shall exclude any earnings increase resulting from (i) a promotion for which the employee moves from one classification to a higher classification under the State Universities Civil Service System, (ii) a promotion in academic rank for a tenured or tenure-track faculty position, or (iii) a promotion that the Illinois Community College Board has recommended in accordance with subsection (k) of this Section. These earnings increases shall be excluded only if the promotion is to a position that has existed and been filled by a member for no less than one complete academic year and the earnings increase as a result of the promotion is an increase that results in an amount no greater than the average salary paid for other similar positions.

(i) When assessing payment for any amount due under subsection (g), the System shall exclude any salary increase described in subsection (h) of this Section given on or after July 1, 2011 but before July 1, 2014 under a contract or collective bargaining agreement entered into, amended, or renewed on or after June 1, 2005 but before July 1, 2011. Notwithstanding any other provision of this Section, any payments made or salary increases given after June 30, 2014 shall be used in assessing payment for any amount due under subsection (g) of this Section.

(i-1) When assessing payment for any amount due under subsection (g-1), the System shall exclude salary increases paid to participants under contracts or collective bargaining agreements entered into, amended, or renewed before the effective date of this amendatory Act of the 100th General Assembly.

(j) The System shall prepare a report and file copies of the report with the Governor and the General Assembly by January 1, 2007 that contains all of the following information:

- (1) The number of recalculations required by the changes made to this Section by Public Act 94-1057 for each employer.
- (2) The dollar amount by which each employer's contribution to the System was changed due to recalculations required by Public Act 94-1057.
- (3) The total amount the System received from each employer as a result of the changes

made to this Section by Public Act 94-4.

(4) The increase in the required State contribution resulting from the changes made to this Section by Public Act 94-1057.

(j-5) For academic years beginning on or after July 1, 2018, if the amount of a participant's earnings for any academic year, determined on a full-time equivalent basis, exceeds \$140,000, the participant's employer shall pay to the System, in addition to all other payments required under this Section and in accordance with guidelines established by the System, the amount of the earnings that exceed \$140,000 multiplied by the level percentage of payroll used in that fiscal year, as determined by the System, to be sufficient to bring the total assets of the System up to 90% of the total actuarial liabilities of the System by the end of State fiscal year 2045. This amount shall be computed by the System on the basis of the actuarial assumptions and tables used in the most recent actuarial valuation of the System that is available at the time of the computation. The System may require the employer to provide any pertinent information or documentation.

Whenever it determines that a payment is or may be required under this subsection, the System shall calculate the amount of the payment and bill the employer for that amount. The bill shall specify the calculations used to determine the amount due. If the employer disputes the amount of the bill, it may, within 30 days after receipt of the bill, apply to the System in writing for a recalculation. The application must specify in detail the grounds of the dispute. Upon receiving a timely application for recalculation, the System shall review the application and, if appropriate, recalculate the amount due.

The employer contributions required under this subsection may be paid in the form of a lump sum within 90 days after receipt of the bill. If the employer contributions are not paid within 90 days after receipt of the bill, then interest will be charged at a rate equal to the System's annual actuarially assumed rate of return on investment compounded annually from the 91st day after receipt of the bill. Payments must be concluded within 3 years after the employer's receipt of the bill.

(k) The Illinois Community College Board shall adopt rules for recommending lists of promotional positions submitted to the Board by community colleges and for reviewing the promotional lists on an annual basis. When recommending promotional lists, the Board shall consider the similarity of the positions submitted to those positions recognized for State universities by the State Universities Civil Service System. The Illinois Community College Board shall file a copy of its findings with the System. The System shall consider the findings of the Illinois Community College Board when making determinations under this Section. The System shall not exclude any earnings increases resulting from a promotion when the promotion was not submitted by a community college. Nothing in this subsection (k) shall require any community college to submit any information to the Community College Board.

(l) For purposes of determining the required State contribution to the System, the value of the System's assets shall be equal to the actuarial value of the System's assets, which shall be calculated as follows:

As of June 30, 2008, the actuarial value of the System's assets shall be equal to the market value of the assets as of that date. In determining the actuarial value of the System's assets for fiscal years after June 30, 2008, any actuarial gains or losses from investment return incurred in a fiscal year shall be recognized in equal annual amounts over the 5-year period following that fiscal year.

(m) For purposes of determining the required State contribution to the system for a particular year, the actuarial value of assets shall be assumed to earn a rate of return equal to the system's actuarially assumed rate of return.

(n) If Section 15-132.9 is determined to be unconstitutional or otherwise invalid by a final unappealable decision of an Illinois court or a court of competent jurisdiction, then the changes made to this Section by this amendatory Act of the 100th General Assembly shall not take effect and are repealed by operation of law.

(Source: P.A. 98-92, eff. 7-16-13; 98-463, eff. 8-16-13; 99-897, eff. 1-1-17.)

(40 ILCS 5/15-157) (from Ch. 108 1/2, par. 15-157)

Sec. 15-157. Employee Contributions.

(a) Each participating employee shall make contributions towards the retirement benefits payable under the retirement program applicable to the employee from each payment of earnings applicable to employment under this system on and after the date of becoming a participant as follows: Prior to September 1, 1949, 3 1/2% of earnings; from September 1, 1949 to August 31, 1955, 5%; from September 1, 1955 to August 31, 1969, 6%; from September 1, 1969, 6 1/2%. These contributions are to be considered as normal contributions for purposes of this Article.

Each participant who is a police officer or firefighter shall make normal contributions of 8% of each payment of earnings applicable to employment as a police officer or firefighter under this system on or after September 1, 1981, unless he or she files with the board within 60 days after the effective date of this amendatory Act of 1991 or 60 days after the board receives notice that he or she is employed as a police

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officer or firefighter, whichever is later, a written notice waiving the retirement formula provided by Rule 4 of Section 15-136. This waiver shall be irrevocable. If a participant had met the conditions set forth in Section 15-132.1 prior to the effective date of this amendatory Act of 1991 but failed to make the additional normal contributions required by this paragraph, he or she may elect to pay the additional contributions plus compound interest at the effective rate. If such payment is received by the board, the service shall be considered as police officer service in calculating the retirement annuity under Rule 4 of Section 15-136. While performing service described in clause (i) or (ii) of Rule 4 of Section 15-136, a participating employee shall be deemed to be employed as a firefighter for the purpose of determining the rate of employee contributions under this Section.

(b) Starting September 1, 1969, each participating employee shall make additional contributions of 1/2 of 1% of earnings to finance a portion of the cost of the annual increases in retirement annuity provided under Section 15-136, except that with respect to participants in the self-managed plan this additional contribution shall be used to finance the benefits obtained under that retirement program. Beginning July 1, 2018 or the effective date of the Tier 1 employee's election under paragraph (1) of subsection (a) of Section 15-132.9, whichever is later, each Tier 1 employee who made the election under paragraph (1) of subsection (a) of Section 15-132.9 is no longer required to make contributions under this subsection.

(c) Except as provided in subsection (c-5), in addition to the amounts described in subsections (a) and (b) of this Section, each participating employee shall make contributions of 1% of earnings applicable under this system on and after August 1, 1959. The contributions made under this subsection (c) shall be considered as survivor's insurance contributions for purposes of this Article if the employee is covered under the traditional benefit package, and such contributions shall be considered as additional contributions for purposes of this Article if the employee is participating in the self-managed plan or has elected to participate in the portable benefit package and has completed the applicable one-year waiting period. Contributions in excess of \$80 during any fiscal year beginning before August 31, 1969 and in excess of \$120 during any fiscal year thereafter until September 1, 1971 shall be considered as additional contributions for purposes of this Article.

(c-5) Beginning July 1, 2018 or the effective date of the Tier 1 employee's election under paragraph (1) of subsection (a) of Section 15-132.9, whichever is later, in lieu of the contributions otherwise required under subsection (c), each Tier 1 employee who made the election under paragraph (1) of subsection (a) of Section 15-132.9 shall make contributions of 0.7% of earnings applicable under this System and each Tier 1 employee who is a police officer or firefighter who makes normal contributions of 8% of each payment of earnings applicable to employment as a police officer or firefighter under this System and who made the election under paragraph (1) of subsection (a) of Section 15-132.9 shall make contributions of 0.55% of earnings applicable under this System. The contributions made under this subsection (c-5) shall be considered as survivor's insurance contributions for purposes of this Article and such contributions shall be considered as additional contributions for purposes of this Article if the employee has elected to participate in the portable benefit package and has completed the applicable one-year waiting period.

(d) If the board by board rule so permits and subject to such conditions and limitations as may be specified in its rules, a participant may make other additional contributions of such percentage of earnings or amounts as the participant shall elect in a written notice thereof received by the board.

(e) That fraction of a participant's total accumulated normal contributions, the numerator of which is equal to the number of years of service in excess of that which is required to qualify for the maximum retirement annuity, and the denominator of which is equal to the total service of the participant, shall be considered as accumulated additional contributions. The determination of the applicable maximum annuity and the adjustment in contributions required by this provision shall be made as of the date of the participant's retirement.

(f) Notwithstanding the foregoing, a participating employee shall not be required to make contributions under this Section after the date upon which continuance of such contributions would otherwise cause his or her retirement annuity to exceed the maximum retirement annuity as specified in clause (1) of subsection (c) of Section 15-136.

(g) A participant may make contributions for the purchase of service credit under this Article; however, only a participating employee may make optional contributions under subsection (b) of Section 15-157.1 of this Article.

(h) A Tier 2 member shall not make contributions on earnings that exceed the limitation as prescribed under subsection (b) of Section 15-111 of this Article.

(Source: P.A. 98-92, eff. 7-16-13; 99-450, eff. 8-24-15.)

(40 ILCS 5/15-165) (from Ch. 108 1/2, par. 15-165)

(Text of Section WITHOUT the changes made by P.A. 98-599, which has been held unconstitutional) Sec. 15-165. To certify amounts and submit vouchers.

(a) The Board shall certify to the Governor on or before November 15 of each year until November 15, 2011 the appropriation required from State funds for the purposes of this System for the following fiscal year. The certification under this subsection (a) shall include a copy of the actuarial recommendations upon which it is based and shall specifically identify the System's projected State normal cost for that fiscal year and the projected State cost for the self-managed plan for that fiscal year.

On or before May 1, 2004, the Board shall recalculate and recertify to the Governor the amount of the required State contribution to the System for State fiscal year 2005, taking into account the amounts appropriated to and received by the System under subsection (d) of Section 7.2 of the General Obligation Bond Act.

On or before July 1, 2005, the Board shall recalculate and recertify to the Governor the amount of the required State contribution to the System for State fiscal year 2006, taking into account the changes in required State contributions made by this amendatory Act of the 94th General Assembly.

On or before April 1, 2011, the Board shall recalculate and recertify to the Governor the amount of the required State contribution to the System for State fiscal year 2011, applying the changes made by Public Act 96-889 to the System's assets and liabilities as of June 30, 2009 as though Public Act 96-889 was approved on that date.

(a-5) On or before November 1 of each year, beginning November 1, 2012, the Board shall submit to the State Actuary, the Governor, and the General Assembly a proposed certification of the amount of the required State contribution to the System for the next fiscal year, along with all of the actuarial assumptions, calculations, and data upon which that proposed certification is based. On or before January 1 of each year, beginning January 1, 2013, the State Actuary shall issue a preliminary report concerning the proposed certification and identifying, if necessary, recommended changes in actuarial assumptions that the Board must consider before finalizing its certification of the required State contributions. On or before January 15, 2013 and each January 15 thereafter, the Board shall certify to the Governor and the General Assembly the amount of the required State contribution for the next fiscal year. The Board's certification must note, in a written response to the State Actuary, any deviations from the State Actuary's recommended changes, the reason or reasons for not following the State Actuary's recommended changes, and the fiscal impact of not following the State Actuary's recommended changes on the required State contribution.

(a-10) For purposes of subsection (c-5) of Section 20 of the Budget Stabilization Act, on or before November 1 of each year beginning November 1, 2019, the Board shall determine the amount of the State contribution to the System that would have been required for the next fiscal year if Section 1-161, subsection (a-2) of Section 15-155, and the changes made to Section 1-160 by this amendatory Act of the 100th General Assembly had not taken effect, using the best and most recent available data but based on the law in effect on May 31, 2019. The Board shall submit to the State Actuary, the Governor, and the General Assembly a proposed certification, along with the relevant law, actuarial assumptions, calculations, and data upon which that certification is based. On or before January 1, 2020 and every January 1 thereafter, the State Actuary shall issue a preliminary report concerning the proposed certification and identifying, if necessary, recommended changes in actuarial assumptions that the Board must consider before finalizing its certification. On or before January 15, 2020 and every January 1 thereafter, the Board shall certify to the Governor and the General Assembly the amount of the State contribution to the System that would have been required for the next fiscal year if Section 1-161, subsection (a-2) of Section 15-155, and the changes made to Section 1-160 by this amendatory Act of the 100th General Assembly had not taken effect, using the best and most recent available data but based on the law in effect on May 31, 2019. The Board's certification must note any deviations from the State Actuary's recommended changes, the reason or reasons for not following the State Actuary's recommended changes, and the impact of not following the State Actuary's recommended changes.

(a-15) As soon as practical after the effective date of this amendatory Act of the 100th General Assembly, the Board shall recalculate and recertify to the State Actuary, the Governor, and the General Assembly the amount of the State contribution to the System for State fiscal year 2018, taking into account the changes in required State contributions made by this amendatory Act of the 100th General Assembly. The State Actuary shall review the assumptions and valuations underlying the Board's revised certification and issue a preliminary report concerning the proposed recertification and identifying, if necessary, recommended changes in actuarial assumptions that the Board must consider before finalizing its certification of the required State contributions. The Board's final certification must note any deviations from the State Actuary's recommended changes, the reason or reasons for not following the State Actuary's recommended changes, and the fiscal impact of not following the State Actuary's recommended changes on the required State contribution.

(a-20) On or before May 1, 2018, the Board shall recalculate and recertify to the Governor and the General Assembly the amount of the required State contribution to the System for State fiscal year 2019, taking into account the effect on the System's liabilities of the elections made under Section 15-132.9.

On or before October 1, 2018, the Board shall recalculate and recertify to the Governor and the General Assembly the amount of the required State contribution to the System for State fiscal year 2019, taking into account the reduction specified under item (3) of subsection (a-1) of Section 15-155.

(b) The Board shall certify to the State Comptroller or employer, as the case may be, from time to time, by its chairperson and secretary, with its seal attached, the amounts payable to the System from the various funds.

(c) Beginning in State fiscal year 1996, on or as soon as possible after the 15th day of each month the Board shall submit vouchers for payment of State contributions to the System, in a total monthly amount of one-twelfth of the required annual State contribution certified under subsection (a). From the effective date of this amendatory Act of the 93rd General Assembly through June 30, 2004, the Board shall not submit vouchers for the remainder of fiscal year 2004 in excess of the fiscal year 2004 certified contribution amount determined under this Section after taking into consideration the transfer to the System under subsection (b) of Section 6z-61 of the State Finance Act. These vouchers shall be paid by the State Comptroller and Treasurer by warrants drawn on the funds appropriated to the System for that fiscal year.

If in any month the amount remaining unexpended from all other appropriations to the System for the applicable fiscal year (including the appropriations to the System under Section 8.12 of the State Finance Act and Section 1 of the State Pension Funds Continuing Appropriation Act) is less than the amount lawfully vouchered under this Section, the difference shall be paid from the General Revenue Fund under the continuing appropriation authority provided in Section 1.1 of the State Pension Funds Continuing Appropriation Act.

(d) So long as the payments received are the full amount lawfully vouchered under this Section, payments received by the System under this Section shall be applied first toward the employer contribution to the self-managed plan established under Section 15-158.2. Payments shall be applied second toward the employer's portion of the normal costs of the System, as defined in subsection (f) of Section 15-155. The balance shall be applied toward the unfunded actuarial liabilities of the System.

(e) In the event that the System does not receive, as a result of legislative enactment or otherwise, payments sufficient to fully fund the employer contribution to the self-managed plan established under Section 15-158.2 and to fully fund that portion of the employer's portion of the normal costs of the System, as calculated in accordance with Section 15-155(a-1), then any payments received shall be applied proportionately to the optional retirement program established under Section 15-158.2 and to the employer's portion of the normal costs of the System, as calculated in accordance with Section 15-155(a-1).

(Source: P.A. 97-694, eff. 6-18-12; 98-92, eff. 7-16-13.)

(40 ILCS 5/15-185.5 new)

Sec. 15-185.5. Accelerated pension benefit payment.

(a) As used in this Section:

"Eligible person" means a person who:

(1) has terminated service;

(2) has accrued sufficient service credit to be eligible to receive a retirement annuity under this Article;

(3) has not received any retirement annuity under this Article;

(4) does not have a QILDRO in effect against him or her under this Article; and

(5) is not a participant in the self-managed plan under Section 15-158.2.

"Pension benefit" means the benefits under this Article, or Article 1 as it relates to those benefits, including any anticipated annual increases, that an eligible person is entitled to upon attainment of the applicable retirement age. "Pension benefit" also includes applicable survivor's or disability benefits.

(b) Before January 1, 2018, and annually thereafter, the System shall calculate, using actuarial tables and other assumptions adopted by the Board, the net present value of pension benefits for each eligible person and shall offer each eligible person the opportunity to irrevocably elect to receive an amount determined by the System to be equal to 70% of the net present value of his or her pension benefits in lieu of receiving any pension benefit. The offer shall specify the dollar amount that the eligible person will receive if he or she so elects and shall expire when a subsequent offer is made to an eligible person or when the System determines that 10% of eligible persons in that year have made the election under this subsection, whichever occurs first. The System shall make a good faith effort to contact every eligible person to notify him or her of the election and of the amount of the accelerated pension benefit payment.

Until the System determines that 10% of eligible persons in that year have made the election under this subsection, an eligible person may irrevocably elect to receive an accelerated pension benefit payment in the amount that the System offers under this subsection in lieu of receiving any pension benefit. A person who elects to receive an accelerated pension benefit payment under this Section may not elect to proceed under the Retirement Systems Reciprocal Act with respect to service under this Article.

(c) A person's credits and creditable service under this Article shall be terminated upon the person's receipt of an accelerated pension benefit payment under this Section, and no other benefit shall be paid under this Article based on those terminated credits and creditable service, including any retirement, survivor, or other benefit; except that to the extent that participation, benefits, or premiums under the State Employees Group Insurance Act of 1971 are based on the amount of service credit, the terminated service credit shall be used for that purpose.

(d) If a person who has received an accelerated pension benefit payment under this Section returns to participating employee status under this Article, then:

(1) Any benefits under the System earned as a result of that return to participating employee status shall be based solely on the person's credits and creditable service arising from the return to participating employee status.

(2) The accelerated pension benefit payment may not be repaid to the System, and the terminated credits and creditable service may not under any circumstances be reinstated.

(e) As a condition of receiving an accelerated pension benefit payment, an eligible person must have another retirement plan or account qualified under the Internal Revenue Code of 1986, as amended, for the accelerated pension benefit payment to be rolled into. The accelerated pension benefit payment under this Section may be subject to withholding or payment of applicable taxes, but to the extent permitted by federal law, a person who receives an accelerated pension benefit payment under this Section must direct the System to pay all of that payment as a rollover into another retirement plan or account qualified under the Internal Revenue Code of 1986, as amended.

(f) Before January 1, 2019 and every January 1 thereafter, the Board shall certify to the Illinois Finance Authority and the General Assembly the amount by which the total amount of accelerated pension benefit payments made under this Section exceed the amount appropriated to the System for the purpose of making those payments.

(g) The Board shall adopt any rules necessary to implement this Section.

(h) No provision of this Section shall be interpreted in a way that would cause the applicable System to cease to be a qualified plan under the Internal Revenue Code of 1986.

(i) Notwithstanding any other provision of this Section, in no case shall the total amount of accelerated pension benefit payments paid under this Section, Section 14-147.5, and Section 16-190.5 cause the Illinois Finance Authority to issue more than the \$250,000,000 of State Pension Obligation Acceleration Bonds authorized in subsection (c-5) of Section 801-40 of the Illinois Finance Authority Act.

(40 ILCS 5/15-198)

(Text of Section WITHOUT the changes made by P.A. 98-599, which has been held unconstitutional) Sec. 15-198. Application and expiration of new benefit increases.

(a) As used in this Section, "new benefit increase" means an increase in the amount of any benefit provided under this Article, or an expansion of the conditions of eligibility for any benefit under this Article, that results from an amendment to this Code that takes effect after the effective date of this amendatory Act of the 94th General Assembly. "New benefit increase", however, does not include any benefit increase resulting from the changes made to this Article by this amendatory Act of the 100th General Assembly.

(b) Notwithstanding any other provision of this Code or any subsequent amendment to this Code, every new benefit increase is subject to this Section and shall be deemed to be granted only in conformance with and contingent upon compliance with the provisions of this Section.

(c) The Public Act enacting a new benefit increase must identify and provide for payment to the System of additional funding at least sufficient to fund the resulting annual increase in cost to the System as it accrues.

Every new benefit increase is contingent upon the General Assembly providing the additional funding required under this subsection. The Commission on Government Forecasting and Accountability shall analyze whether adequate additional funding has been provided for the new benefit increase and shall report its analysis to the Public Pension Division of the Department of ~~Insurance Financial and Professional Regulation~~. A new benefit increase created by a Public Act that does not include the additional funding required under this subsection is null and void. If the Public Pension Division determines that the additional funding provided for a new benefit increase under this subsection is or has become inadequate, it may so certify to the Governor and the State Comptroller and, in the absence of

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corrective action by the General Assembly, the new benefit increase shall expire at the end of the fiscal year in which the certification is made.

(d) Every new benefit increase shall expire 5 years after its effective date or on such earlier date as may be specified in the language enacting the new benefit increase or provided under subsection (c). This does not prevent the General Assembly from extending or re-creating a new benefit increase by law.

(e) Except as otherwise provided in the language creating the new benefit increase, a new benefit increase that expires under this Section continues to apply to persons who applied and qualified for the affected benefit while the new benefit increase was in effect and to the affected beneficiaries and alternate payees of such persons, but does not apply to any other person, including without limitation a person who continues in service after the expiration date and did not apply and qualify for the affected benefit while the new benefit increase was in effect.

(Source: P.A. 94-4, eff. 6-1-05.)

(40 ILCS 5/15-200.1 new)

Sec. 15-200.1. Defined contribution plan.

(a) By July 1, 2018, the System shall prepare and implement a voluntary defined contribution plan for up to 5% of eligible Tier 1 employees. The System shall determine the 5% cap by the number of Tier 1 employees on the effective date of this Section. The defined contribution plan developed under this Section shall be a plan that aggregates employer and employee contributions in individual participant accounts which, after meeting any other requirements, are used for payouts after retirement in accordance with this Section and any other applicable laws.

As used in this Section, "defined benefit plan" means the retirement plan available under this Article to Tier 1 employees who have not made the election authorized under this Section.

(1) Under the defined contribution plan, a Tier 1 employee of this System could elect to cease accruing benefits in the defined benefit plan under this Article and begin accruing benefits for future service in the defined contribution plan. Service credit under the defined contribution plan may be used for determining retirement eligibility under the defined benefit plan. A Tier 1 employee who elects to cease accruing benefits in his or her defined benefit plan shall be prohibited from purchasing service credit on or after the date of his or her election. A Tier 1 employee making the irrevocable election provided under this Section shall not receive interest accruals to his or her Rule 2 benefit on or after the date of his or her election.

(2) Participants in the defined contribution plan shall pay employee contributions at the same rate as other participants under this Article as determined by the System.

(3) State contributions shall be paid into the accounts of all participants in the defined contribution plan at a uniform rate, expressed as a percentage of earnings and determined for each year. This rate shall be no higher than the employer's normal cost for Tier 1 employees in the defined benefit plan for that year, as determined by the System and expressed as a percentage of earnings, and shall be no lower than 3% of earnings. The State shall adjust this rate annually.

(4) The defined contribution plan shall require 5 years of participation in the defined contribution plan before vesting in State contributions. If the participant fails to vest in them, the State contributions, and the earnings thereon, shall be forfeited.

(5) The defined contribution plan may provide for participants in the plan to be eligible for the defined disability benefits available to other participants under this Article. If it does, the System shall reduce the employee contributions credited to the member's defined contribution plan account by an amount determined by the System to cover the cost of offering such benefits.

(6) The defined contribution plan shall provide a variety of options for investments. These options shall include investments handled by the System as well as private sector investment options.

(7) The defined contribution plan shall provide a variety of options for payouts to retirees and their survivors.

(8) To the extent authorized under federal law and as authorized by the System, the plan shall allow former participants in the plan to transfer or roll over employee and vested State contributions, and the earnings thereon, into other qualified retirement plans.

(9) The System shall reduce the employee contributions credited to the member's defined contribution plan account by an amount determined by the System to cover the cost of offering these benefits and any applicable administrative fees.

(b) Only persons who are Tier 1 employees of the System on the effective date of this Section are eligible to participate in the defined contribution plan. Participation in the defined contribution plan shall be limited to the first 5% of eligible persons who elect to participate. The election to participate in the defined contribution plan is voluntary and irrevocable.

(c) An eligible Tier 1 employee may irrevocably elect to participate in the defined contribution plan by filing with the System a written application to participate that is received by the System prior to its determination that 5% of eligible persons have elected to participate in the defined contribution plan.

When the System first determines that 5% of eligible persons have elected to participate in the defined contribution plan, the System shall provide notice to previously eligible employees that the plan is no longer available and shall cease accepting applications to participate.

(d) The System shall make a good faith effort to contact each Tier 1 employee who is eligible to participate in the defined contribution plan. The System shall mail information describing the option to join the defined contribution plan to each of these employees to his or her last known address on file with the System. If the employee is not responsive to other means of contact, it is sufficient for the System to publish the details of the option on its website.

Upon request for further information describing the option, the System shall provide employees with information from the System before exercising the option to join the plan, including information on the impact to their vested benefits or non-vested service. The individual consultation shall include projections of the member's defined benefits at retirement or earlier termination of service and the value of the member's account at retirement or earlier termination of service. The System shall not provide advice or counseling with respect to whether the employee should exercise the option. The System shall inform Tier 1 employees who are eligible to participate in the defined contribution plan that they may also wish to obtain information and counsel relating to their option from any other available source, including but not limited to labor organizations, private counsel, and financial advisors.

(e) In no event shall the System, its staff, its authorized representatives, or the Board be liable for any information given to an employee under this Section. The System may coordinate with the Illinois Department of Central Management Services and other retirement systems administering a defined contribution plan in accordance with this amendatory Act of the 100th General Assembly to provide information concerning the impact of the option set forth in this Section.

(f) Notwithstanding any other provision of this Section, no person shall begin participating in the defined contribution plan until it has attained qualified plan status and received all necessary approvals from the U.S. Internal Revenue Service.

(g) The System shall report on its progress under this Section, including the available details of the defined contribution plan and the System's plans for informing eligible Tier 1 employees about the plan, to the Governor and the General Assembly on or before January 15, 2018.

(h) If a Tier 1 employee has not made an election under Section 15-134.5 of this Code, then the plan prescribed under this Section shall not apply to that Tier 1 employee and that Tier 1 employee shall remain eligible to make the election prescribed under Section 15-134.5.

(i) The intent of this amendatory Act of the 100th General Assembly is to ensure that the State's normal cost of participation in the defined contribution plan is similar, and if possible equal, to the State's normal cost of participation in the defined benefit plan, unless a lower State's normal cost is necessary to ensure cost neutrality.

(j) If Section 15-132.9 is determined to be unconstitutional or otherwise invalid by a final unappealable decision of an Illinois court or a court of competent jurisdiction, then this Section shall not take effect and is repealed by operation of law.

(40 ILCS 5/15-201.1 new)

Sec. 15-201.1. Defined contribution plan; termination. If the defined contribution plan is terminated or becomes inoperative pursuant to law, then each participant in the plan shall automatically be deemed to have been a contributing Tier 1 employee participating in the System's defined benefit plan during the time in which he or she participated in the defined contribution plan, and for that purpose the System shall be entitled to recover the amounts in the participant's defined contribution accounts.

(40 ILCS 5/16-107.1 new)

Sec. 16-107.1. Tier 1 employee. "Tier 1 employee": A teacher under this Article who first became a member or participant before January 1, 2011 under any reciprocal retirement system or pension fund established under this Code other than a retirement system or pension fund established under Article 2, 3, 4, 5, 6, or 18 of this Code. However, for the purposes of the election under Section 16-122.9, "Tier 1 employee" does not include a teacher under this Article who would qualify as a Tier 1 employee but who has made an irrevocable election on or before June 1, 2017 to retire from service pursuant to the terms of an employment contract or a collective bargaining agreement in effect on June 1, 2017, excluding any extension, amendment, or renewal of that agreement after that date, and has notified the System of that election.

(40 ILCS 5/16-121) (from Ch. 108 1/2, par. 16-121)

(Text of Section WITHOUT the changes made by P.A. 98-599, which has been held unconstitutional)

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Sec. 16-121. Salary. "Salary": The actual compensation received by a teacher during any school year and recognized by the system in accordance with rules of the board. For purposes of this Section, "school year" includes the regular school term plus any additional period for which a teacher is compensated and such compensation is recognized by the rules of the board.

Notwithstanding any other provision of this Section, "salary" does not include any future increase in income that is offered by an employer for service as a Tier 1 employee under this Article pursuant to the condition set forth in subsection (c) of Section 16-122.9 and accepted under that condition by a Tier 1 employee who has made the election under paragraph (2) of subsection (a) of Section 16-122.9.

Notwithstanding any other provision of this Section, "salary" does not include any consideration payment made to a Tier 1 employee.

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

(40 ILCS 5/16-121.1 new)

Sec. 16-121.1. Future increase in income. "Future increase in income" means an increase to a Tier 1 employee's base pay that is offered by an employer to the Tier 1 employee for service under this Article after June 30, 2018 that qualifies as "salary", as defined in Section 16-121, or would qualify as "salary" but for the fact that it was offered to and accepted by the Tier 1 employee under the condition set forth in subsection (c) of Section 16-122.9. The term "future increase in income" includes an increase to a Tier 1 employee's base pay that is paid to the Tier 1 employee pursuant to an extension, amendment, or renewal of any such employment contract or collective bargaining agreement after the effective date of this Section.

(40 ILCS 5/16-121.2 new)

Sec. 16-121.2. Base pay. As used in Section 16-121.1 of this Code, "base pay" means the greater of either (i) the Tier 1 employee's annualized rate of salary as of June 30, 2018, or (ii) the Tier 1 employee's annualized rate of salary immediately preceding the expiration, renewal, or amendment of an employment contract or collective bargaining agreement in effect on the effective date of this Section. For a person returning to active service as a Tier 1 employee after June 30, 2018, however, "base pay" means the employee's annualized rate of salary as of the employee's last date of service prior to July 1, 2018. The System shall calculate the base pay of each Tier 1 employee pursuant to this Section.

(40 ILCS 5/16-122.9 new)

Sec. 16-122.9. Election by Tier 1 employees.

(a) Each active Tier 1 employee shall make an irrevocable election either:

(1) to agree to delay his or her eligibility for automatic annual increases in retirement annuity as provided in subsection (a-1) of Section 16-133.1 or subsection (b-1) of Section 16-136.1, whichever is applicable, and to have the amount of the automatic annual increases in his or her retirement annuity and survivor benefit that are otherwise provided for in this Article calculated, instead, as provided in subsection (a-1) of Section 16-133.1 or subsection (b-1) of Section 16-136.1, whichever is applicable; or

(2) to not agree to paragraph (1) of this subsection.

The election required under this subsection (a) shall be made by each active Tier 1 employee no earlier than January 1, 2018 and no later than March 31, 2018, except that:

(i) a person who becomes a Tier 1 employee under this Article on or after February 1, 2018 must make the election under this subsection (a) within 60 days after becoming a Tier 1 employee; and

(ii) a person who returns to active service as a Tier 1 employee under this Article on or after February 1, 2018 and has not yet made an election under this Section must make the election under this subsection (a) within 60 days after returning to active service as a Tier 1 employee.

If a Tier 1 employee fails for any reason to make a required election under this subsection within the time specified, then the employee shall be deemed to have made the election under paragraph (2) of this subsection.

(a-5) If this Section is enjoined or stayed by an Illinois court or a court of competent jurisdiction pending the entry of a final and unappealable decision, and this Section is determined to be constitutional or otherwise valid by a final unappealable decision of an Illinois court or a court of competent jurisdiction, then the election procedure set forth in subsection (a) of this Section shall commence on the 180th calendar day after the date of the issuance of the final unappealable decision and shall conclude at the end of the 270th calendar day after that date.

(a-10) All elections under subsection (a) that are made or deemed to be made before July 1, 2018 shall take effect on July 1, 2018. Elections that are made or deemed to be made on or after July 1, 2018 shall take effect on the first day of the month following the month in which the election is made or deemed to be made.

(b) As adequate and legal consideration provided under this amendatory Act of the 100th General Assembly for making an election under paragraph (1) of subsection (a) of this Section, an employer shall be expressly and irrevocably prohibited from offering any future increases in income to a Tier 1 employee

who has made an election under paragraph (1) of subsection (a) of this Section on the condition of not constituting salary under Section 16-121.

As adequate and legal consideration provided under this amendatory Act of the 100th General Assembly for making an election under paragraph (1) of subsection (a) of this Section, each Tier 1 employee who has made an election under paragraph (1) of subsection (a) of this Section shall receive a consideration payment equal to 10% of the contributions made by or on behalf of the employee under paragraphs (1), (2), and (3) of subsection (a) of Section 16-152 before the effective date of that election. The State Comptroller shall pay the consideration payment to the Tier 1 employee out of funds appropriated for that purpose under Section 1.9 of the State Pension Funds Continuing Appropriation Act. The System shall calculate the amount of each consideration payment and, by July 1, 2018, shall certify to the State Comptroller the amount of the consideration payment, together with the name, address, and any other available payment information of the Tier 1 employee as found in the records of the System. The System shall make additional calculations and certifications of consideration payments to the State Comptroller as the System deems necessary.

(c) A Tier 1 employee who makes the election under paragraph (2) of subsection (a) of this Section shall not be subject to paragraph (1) of subsection (a) of this Section. However, each future increase in income offered by an employer under this Article to a Tier 1 employee who has made the election under paragraph (2) of subsection (a) of this Section shall be offered by the employer expressly and irrevocably on the condition of not constituting salary under Section 16-121 and that the Tier 1 employee's acceptance of the offered future increase in income shall constitute his or her agreement to that condition.

(d) The System shall make a good faith effort to contact each Tier 1 employee subject to this Section. The System shall mail information describing the required election to each Tier 1 employee by United States Postal Service mail to his or her last known address on file with the System. If the Tier 1 employee is not responsive to other means of contact, it is sufficient for the System to publish the details of any required elections on its website or to publish those details in a regularly published newsletter or other existing public forum.

Tier 1 employees who are subject to this Section shall be provided with an election packet containing information regarding their options, as well as the forms necessary to make the required election. Upon request, the System shall offer Tier 1 employees an opportunity to receive information from the System before making the required election. The information may consist of video materials, group presentations, individual consultation with a member or authorized representative of the System in person or by telephone or other electronic means, or any combination of those methods. The System shall not provide advice or counseling with respect to which election a Tier 1 employee should make or specific to the legal or tax circumstances of or consequences to the Tier 1 employee.

The System shall inform Tier 1 employees in the election packet required under this subsection that the Tier 1 employee may also wish to obtain information and counsel relating to the election required under this Section from any other available source, including, but not limited to, labor organizations and private counsel.

In no event shall the System, its staff, or the Board be held liable for any information given to a member regarding the elections under this Section. The System shall coordinate with the Illinois Department of Central Management Services and each other retirement system administering an election in accordance with this amendatory Act of the 100th General Assembly to provide information concerning the impact of the election set forth in this Section.

(e) Notwithstanding any other provision of law, an employer under this Article is required to offer each future increase in income expressly and irrevocably on the condition of not constituting "salary" under Section 16-121 to any Tier 1 employee who has made an election under paragraph (2) of subsection (a) of this Section. The offer shall also provide that the Tier 1 employee's acceptance of the offered future increase in income shall constitute his or her agreement to the condition set forth in this subsection.

For purposes of legislative intent, the condition set forth in this subsection shall be construed in a manner that ensures that the condition is not violated or circumvented through any contrivance of any kind.

(f) A member's election under this Section is not a prohibited election under subdivision (j)(1) of Section 1-119 of this Code.

(g) No provision of this Section shall be interpreted in a way that would cause the System to cease to be a qualified plan under Section 401(a) of the Internal Revenue Code of 1986.

(h) If an election created by this amendatory Act in any other Article of this Code or any change deriving from that election is determined to be unconstitutional or otherwise invalid by a final unappealable decision of an Illinois court or a court of competent jurisdiction, the invalidity of that provision shall not in any way affect the validity of this Section or the changes deriving from the election required under this Section.



(40 ILCS 5/16-133.1) (from Ch. 108 1/2, par. 16-133.1)

(Text of Section WITHOUT the changes made by P.A. 98-599, which has been held unconstitutional) Sec. 16-133.1. Automatic annual increase in annuity.

(a) Each member with creditable service and retiring on or after August 26, 1969 is entitled to the automatic annual increases in annuity provided under this Section while receiving a retirement annuity or disability retirement annuity from the system.

Except as otherwise provided in subsection (a-1), an An annuitant shall first be entitled to an initial increase under this Section on the January 1 next following the first anniversary of retirement, or January 1 of the year next following attainment of age 61, whichever is later. At such time, the system shall pay an initial increase determined as follows:

- (1) 1.5% of the originally granted retirement annuity or disability retirement annuity multiplied by the number of years elapsed, if any, from the date of retirement until January 1, 1972, plus
- (2) 2% of the originally granted annuity multiplied by the number of years elapsed, if any, from the date of retirement or January 1, 1972, whichever is later, until January 1, 1978, plus
- (3) 3% of the originally granted annuity multiplied by the number of years elapsed from the date of retirement or January 1, 1978, whichever is later, until the effective date of the initial increase.

However, the initial annual increase calculated under this Section for the recipient of a disability retirement annuity granted under Section 16-149.2 shall be reduced by an amount equal to the total of all increases in that annuity received under Section 16-149.5 (but not exceeding 100% of the amount of the initial increase otherwise provided under this Section).

Except as otherwise provided in subsection (a-1), following Following the initial increase, automatic annual increases in annuity shall be payable on each January 1 thereafter during the lifetime of the annuitant, determined as a percentage of the originally granted retirement annuity or disability retirement annuity for increases granted prior to January 1, 1990, and calculated as a percentage of the total amount of annuity, including previous increases under this Section, for increases granted on or after January 1, 1990, as follows: 1.5% for periods prior to January 1, 1972, 2% for periods after December 31, 1971 and prior to January 1, 1978, and 3% for periods after December 31, 1977.

(a-1) Notwithstanding any other provision of this Article, for a Tier 1 employee who made the election under paragraph (1) of subsection (a) of Section 16-122.9:

(1) The initial increase in retirement annuity under this Section shall occur on the January 1 occurring either on or after the attainment of age 67 or the fifth anniversary of the annuity start date, whichever is earlier.

(2) The amount of each automatic annual increase in retirement annuity and survivor benefit occurring on or after the effective date of that election shall be calculated as a percentage of the originally granted retirement annuity or survivor benefit, equal to 3% or one-half the annual unadjusted percentage increase (but not less than zero) in the consumer price index-u for the 12 months ending with the September preceding each November 1, whichever is less. If the annual unadjusted percentage change in the consumer price index-u for the 12 months ending with the September preceding each November 1 is zero or there is a decrease, then the annuity shall not be increased.

For the purposes of this Section, "consumer price index-u" means the index published by the Bureau of Labor Statistics of the United States Department of Labor that measures the average change in prices of goods and services purchased by all urban consumers, United States city average, all items, 1982-84 = 100. The new amount resulting from each annual adjustment shall be determined by the Public Pension Division of the Department of Insurance and made available to the board of the retirement system by November 1 of each year.

(b) The automatic annual increases in annuity provided under this Section shall not be applicable unless a member has made contributions toward such increases for a period equivalent to one full year of creditable service. If a member contributes for service performed after August 26, 1969 but the member becomes an annuitant before such contributions amount to one full year's contributions based on the salary at the date of retirement, he or she may pay the necessary balance of the contributions to the system and be eligible for the automatic annual increases in annuity provided under this Section.

(c) Each member shall make contributions toward the cost of the automatic annual increases in annuity as provided under Section 16-152.

(d) An annuitant receiving a retirement annuity or disability retirement annuity on July 1, 1969, who subsequently re-enters service as a teacher is eligible for the automatic annual increases in annuity provided under this Section if he or she renders at least one year of creditable service following the latest re-entry.

(e) In addition to the automatic annual increases in annuity provided under this Section, an annuitant who meets the service requirements of this Section and whose retirement annuity or disability retirement annuity began on or before January 1, 1971 shall receive, on January 1, 1981, an increase in the annuity then being paid of one dollar per month for each year of creditable service. On January 1, 1982, an annuitant whose retirement annuity or disability retirement annuity began on or before January 1, 1977 shall receive an increase in the annuity then being paid of one dollar per month for each year of creditable service.

On January 1, 1987, any annuitant whose retirement annuity began on or before January 1, 1977, shall receive an increase in the monthly retirement annuity equal to 8¢ per year of creditable service times the number of years that have elapsed since the annuity began.

(Source: P.A. 91-927, eff. 12-14-00.)

(40 ILCS 5/16-136.1) (from Ch. 108 1/2, par. 16-136.1)

(Text of Section WITHOUT the changes made by P.A. 98-599, which has been held unconstitutional) Sec. 16-136.1. Annual increase for certain annuitants.

(a) Any annuitant receiving a retirement annuity on June 30, 1969 and any member retiring after June 30, 1969 shall be eligible for the annual increases provided under this Section provided the annuitant is ineligible for the automatic annual increase in annuity provided under Section 16-133.1, and provided further that (1) retirement occurred at age 55 or over and was based on 5 or more years of creditable service or (2) if retirement occurred prior to age 55, the retirement annuity was based on 20 or more years of creditable service.

(b) Except as otherwise provided in subsection (b-1), an An annuitant entitled to increases under this Section shall be entitled to the initial increase as of the later of: (1) January 1 following attainment of age 65, (2) January 1 following the first anniversary of retirement, or (3) the first day of the month following receipt of the required qualifying contribution from the annuitant. The initial monthly increase shall be computed on the basis of the period elapsed between the later of the date of last retirement or attainment of age 50 and the date of qualification for the initial increase, at the rate of 1 1/2% of the original monthly retirement annuity per year for periods prior to September 1, 1971, and at the rate of 2% per year for periods between September 1, 1971 and September 1, 1978, and at the rate of 3% per year for periods thereafter.

Except as otherwise provided in subsection (b-1), if applicable, an An annuitant who has received an initial increase under this Section, shall be entitled, on each January 1 following the granting of the initial increase, to an increase of 3% of the original monthly retirement annuity for increases granted prior to January 1, 1990, and equal to 3% of the total annuity, including previous increases under this Section, for increases granted on or after January 1, 1990. The original monthly retirement annuity for computations under this subsection (b) shall be considered to be \$83.34 for any annuitant entitled to benefits under Section 16-134. The minimum original disability retirement annuity for computations under this subsection (b) shall be considered to be \$33.34 per month for any annuitant retired on account of disability.

(b-1) Notwithstanding any other provision of this Article, for a Tier 1 employee who made the election under paragraph (1) of subsection (a) of Section 16-122.9:

(1) The initial increase in retirement annuity under this Section shall occur on the January 1 occurring either on or after the attainment of age 67 or the fifth anniversary of the annuity start date, whichever is earlier.

(2) The amount of each automatic annual increase in retirement annuity or survivor benefit occurring on or after the effective date of that election shall be calculated as a percentage of the originally granted retirement annuity or survivor benefit, equal to 3% or one-half the annual unadjusted percentage increase (but not less than zero) in the consumer price index-u for the 12 months ending with the September preceding each November 1, whichever is less. If the annual unadjusted percentage change in the consumer price index-u for the 12 months ending with the September preceding each November 1 is zero or there is a decrease, then the annuity shall not be increased.

For the purposes of this Section, "consumer price index-u" means the index published by the Bureau of Labor Statistics of the United States Department of Labor that measures the average change in prices of goods and services purchased by all urban consumers, United States city average, all items, 1982-84 = 100. The new amount resulting from each annual adjustment shall be determined by the Public Pension Division of the Department of Insurance and made available to the board of the retirement system by November 1 of each year.

(c) An annuitant who otherwise qualifies for annual increases under this Section must make a one-time payment of 1% of the monthly final average salary for each full year of the creditable service forming the basis of the retirement annuity or, if the retirement annuity was not computed using final average salary,

1% of the original monthly retirement annuity for each full year of service forming the basis of the retirement annuity.

(d) In addition to other increases which may be provided by this Section, regardless of creditable service, annuitants not meeting the service requirements of Section 16-133.1 and whose retirement annuity began on or before January 1, 1971 shall receive, on January 1, 1981, an increase in the retirement annuity then being paid of one dollar per month for each year of creditable service forming the basis of the retirement allowance. On January 1, 1982, annuitants whose retirement annuity began on or before January 1, 1977, shall receive an increase in the retirement annuity then being paid of one dollar per month for each year of creditable service.

On January 1, 1987, any annuitant whose retirement annuity began on or before January 1, 1977, shall receive an increase in the monthly retirement annuity equal to 8¢ per year of creditable service times the number of years that have elapsed since the annuity began.

(Source: P.A. 86-273.)

(40 ILCS 5/16-152) (from Ch. 108 1/2, par. 16-152)

(Text of Section WITHOUT the changes made by P.A. 98-599, which has been held unconstitutional) Sec. 16-152. Contributions by members.

(a) Except as otherwise provided in subsection (a-5), each ~~Each~~ member shall make contributions for membership service to this System as follows:

(1) Effective July 1, 1998, contributions of 7.50% of salary towards the cost of the retirement annuity. Such contributions shall be deemed "normal contributions".

(2) Effective July 1, 1969, contributions of 1/2 of 1% of salary toward the cost of the automatic annual increase in retirement annuity provided under Section 16-133.1.

(3) Effective July 24, 1959, contributions of 1% of salary towards the cost of survivor benefits. Such contributions shall not be credited to the individual account of the member and shall not be subject to refund except as provided under Section 16-143.2.

(4) Effective July 1, 2005, contributions of 0.40% of salary toward the cost of the early retirement without discount option provided under Section 16-133.2. This contribution shall cease upon termination of the early retirement without discount option as provided in Section 16-133.2.

(a-5) Beginning July 1, 2018 or the effective date of the Tier 1 employee's election under paragraph (1) of subsection (a) of Section 16-122.9, whichever is later, in lieu of the contributions otherwise required under subsection (a), each Tier 1 employee who made the election under paragraph (1) of subsection (a) of Section 16-122.9 shall make contributions as follows:

(1) Contributions of 7.50% of salary towards the cost of the retirement annuity. Such contributions shall be deemed "normal contributions".

(2) Contributions of 0.60% towards the cost of survivor benefits. Such contributions shall not be credited to the individual account of the member and shall not be subject to refund except as provided in Section 16-143.2.

(3) Contributions of 0.40% of salary toward the cost of the early retirement without discount option provided under Section 16-133.2. This contribution shall cease upon termination of the early retirement without discount option as provided in Section 16-133.2.

(b) The minimum required contribution for any year of full-time teaching service shall be \$192.

(c) Contributions shall not be required of any annuitant receiving a retirement annuity who is given employment as permitted under Section 16-118 or 16-150.1.

(d) A person who (i) was a member before July 1, 1998, (ii) retires with more than 34 years of creditable service, and (iii) does not elect to qualify for the augmented rate under Section 16-129.1 shall be entitled, at the time of retirement, to receive a partial refund of contributions made under this Section for service occurring after the later of June 30, 1998 or attainment of 34 years of creditable service, in an amount equal to 1.00% of the salary upon which those contributions were based.

(e) A member's contributions toward the cost of early retirement without discount made under item (a)(4) of this Section shall not be refunded if the member has elected early retirement without discount under Section 16-133.2 and has begun to receive a retirement annuity under this Article calculated in accordance with that election. Otherwise, a member's contributions toward the cost of early retirement without discount made under item (a)(4) of this Section shall be refunded according to whichever one of the following circumstances occurs first:

(1) The contributions shall be refunded to the member, without interest, within 120 days

after the member's retirement annuity commences, if the member does not elect early retirement without discount under Section 16-133.2.

(2) The contributions shall be included, without interest, in any refund claimed by the member under Section 16-151.

(3) The contributions shall be refunded to the member's designated beneficiary (or if there is no beneficiary, to the member's estate), without interest, if the member dies without having begun to receive a retirement annuity under this Article.

(4) The contributions shall be refunded to the member, without interest, if the early retirement without discount option provided under subsection (d) of Section 16-133.2 is terminated. In that event, the System shall provide to the member, within 120 days after the option is terminated, an application for a refund of those contributions.

(Source: P.A. 98-42, eff. 6-28-13; 98-92, eff. 7-16-13; 99-642, eff. 7-28-16.)

(40 ILCS 5/16-158) (from Ch. 108 1/2, par. 16-158)

(Text of Section WITHOUT the changes made by P.A. 98-599, which has been held unconstitutional) Sec. 16-158. Contributions by State and other employing units.

(a) The State shall make contributions to the System by means of appropriations from the Common School Fund and other State funds of amounts which, together with other employer contributions, employee contributions, investment income, and other income, will be sufficient to meet the cost of maintaining and administering the System on a 90% funded basis in accordance with actuarial recommendations.

The Board shall determine the amount of State contributions required for each fiscal year on the basis of the actuarial tables and other assumptions adopted by the Board and the recommendations of the actuary, using the formula in subsection (b-3).

(a-1) Annually, on or before November 15 until November 15, 2011, the Board shall certify to the Governor the amount of the required State contribution for the coming fiscal year. The certification under this subsection (a-1) shall include a copy of the actuarial recommendations upon which it is based and shall specifically identify the System's projected State normal cost for that fiscal year.

On or before May 1, 2004, the Board shall recalculate and recertify to the Governor the amount of the required State contribution to the System for State fiscal year 2005, taking into account the amounts appropriated to and received by the System under subsection (d) of Section 7.2 of the General Obligation Bond Act.

On or before July 1, 2005, the Board shall recalculate and recertify to the Governor the amount of the required State contribution to the System for State fiscal year 2006, taking into account the changes in required State contributions made by this amendatory Act of the 94th General Assembly.

On or before April 1, 2011, the Board shall recalculate and recertify to the Governor the amount of the required State contribution to the System for State fiscal year 2011, applying the changes made by Public Act 96-889 to the System's assets and liabilities as of June 30, 2009 as though Public Act 96-889 was approved on that date.

(a-5) On or before November 1 of each year, beginning November 1, 2012, the Board shall submit to the State Actuary, the Governor, and the General Assembly a proposed certification of the amount of the required State contribution to the System for the next fiscal year, along with all of the actuarial assumptions, calculations, and data upon which that proposed certification is based. On or before January 1 of each year, beginning January 1, 2013, the State Actuary shall issue a preliminary report concerning the proposed certification and identifying, if necessary, recommended changes in actuarial assumptions that the Board must consider before finalizing its certification of the required State contributions. On or before January 15, 2013 and each January 15 thereafter, the Board shall certify to the Governor and the General Assembly the amount of the required State contribution for the next fiscal year. The Board's certification must note any deviations from the State Actuary's recommended changes, the reason or reasons for not following the State Actuary's recommended changes, and the fiscal impact of not following the State Actuary's recommended changes on the required State contribution.

(a-10) For purposes of subsection (c-5) of Section 20 of the Budget Stabilization Act, on or before November 1 of each year beginning November 1, 2019, the Board shall determine the amount of the State contribution to the System that would have been required for the next fiscal year if Section 1-161, subsection (b-4) of Section 16-158, and the changes made to Section 1-160 by this amendatory Act of the 100th General Assembly had not taken effect, using the best and most recent available data but based on the law in effect on May 31, 2019. The Board shall submit to the State Actuary, the Governor, and the General Assembly a proposed certification, along with the relevant law, actuarial assumptions, calculations, and data upon which that certification is based. On or before January 1, 2020 and every January 1 thereafter, the State Actuary shall issue a preliminary report concerning the proposed certification and identifying, if necessary, recommended changes in actuarial assumptions that the Board must consider before finalizing its certification. On or before January 15, 2020 and every January 1 thereafter, the Board shall certify to the Governor and the General Assembly the amount of the State contribution to the System that would have been required for the next fiscal year if Section 1-161,

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subsection (b-4) of Section 16-158, and the changes made to Section 1-160 by this amendatory Act of the 100th General Assembly had not taken effect, using the best and most recent available data but based on the law in effect on May 31, 2019. The Board's certification must note any deviations from the State Actuary's recommended changes, the reason or reasons for not following the State Actuary's recommended changes, and the impact of not following the State Actuary's recommended changes.

(a-15) As soon as practical after the effective date of this amendatory Act of the 100th General Assembly, the Board shall recalculate and recertify to the State Actuary, the Governor, and the General Assembly the amount of the State contribution to the System for State fiscal year 2018, taking into account the changes in required State contributions made by this amendatory Act of the 100th General Assembly. The State Actuary shall review the assumptions and valuations underlying the Board's revised certification and issue a preliminary report concerning the proposed recertification and identifying, if necessary, recommended changes in actuarial assumptions that the Board must consider before finalizing its certification of the required State contributions. The Board's final certification must note any deviations from the State Actuary's recommended changes, the reason or reasons for not following the State Actuary's recommended changes, and the fiscal impact of not following the State Actuary's recommended changes on the required State contribution.

(a-20) On or before May 1, 2018, the Board shall recalculate and recertify to the Governor and the General Assembly the amount of the required State contribution to the System for State fiscal year 2019, taking into account the effect on the System's liabilities of the elections made under Section 16-122.9.

On or before October 1, 2018, the Board shall recalculate and recertify to the Governor and the General Assembly the amount of the required State contribution to the System for State fiscal year 2019, taking into account the reduction specified under item (3) of subsection (b-3) of this Section.

(b) Through State fiscal year 1995, the State contributions shall be paid to the System in accordance with Section 18-7 of the School Code.

(b-1) Beginning in State fiscal year 1996, on the 15th day of each month, or as soon thereafter as may be practicable, the Board shall submit vouchers for payment of State contributions to the System, in a total monthly amount of one-twelfth of the required annual State contribution certified under subsection (a-1). From the effective date of this amendatory Act of the 93rd General Assembly through June 30, 2004, the Board shall not submit vouchers for the remainder of fiscal year 2004 in excess of the fiscal year 2004 certified contribution amount determined under this Section after taking into consideration the transfer to the System under subsection (a) of Section 6z-61 of the State Finance Act. These vouchers shall be paid by the State Comptroller and Treasurer by warrants drawn on the funds appropriated to the System for that fiscal year.

If in any month the amount remaining unexpended from all other appropriations to the System for the applicable fiscal year (including the appropriations to the System under Section 8.12 of the State Finance Act and Section 1 of the State Pension Funds Continuing Appropriation Act) is less than the amount lawfully vouchered under this subsection, the difference shall be paid from the Common School Fund under the continuing appropriation authority provided in Section 1.1 of the State Pension Funds Continuing Appropriation Act.

(b-2) Allocations from the Common School Fund apportioned to school districts not coming under this System shall not be diminished or affected by the provisions of this Article.

(b-3) For State fiscal years 2018 through 2045 (except as otherwise provided for fiscal year 2019), the minimum contribution to the System to be made by the State for each fiscal year shall be an amount determined by the System to be sufficient to bring the total assets of the System up to 90% of the total actuarial liabilities of the System by the end of State fiscal year 2045. In making these determinations, the required State contribution shall be calculated each year as a level percentage of total payroll, including payroll that is not deemed pensionable, but excluding payroll attributable to participants in the defined contribution plan under Section 16-205.1, over the years remaining to and including fiscal year 2045 and shall be determined under the projected unit credit actuarial cost method.

For State fiscal year 2019:

(1) The initial calculation and certification shall be based on the amount determined above.

(2) For purposes of the recertification due on or before May 1, 2018, the recalculation of the required State contribution for fiscal year 2019 shall take into account the effect on the System's liabilities of the elections made under Section 16-122.9.

(3) For purposes of the recertification due on or before October 1, 2018, the total required State contribution for fiscal year 2019 shall be reduced by the amount of the consideration payments made to Tier 1 employees who made the election under paragraph (1) of subsection (a) of Section 16-122.9.

Beginning in State fiscal year 2018, any increase or decrease in State contribution over the prior fiscal year due exclusively to changes in actuarial or investment assumptions adopted by the Board shall be

included in the State contribution to the System, as a percentage of the applicable employee payroll, and shall be increased in equal annual increments so that by the State fiscal year occurring 5 years after the adoption of the actuarial or investment assumptions, the State is contributing at the rate otherwise required under this Section.

For State fiscal years 2012 through ~~2017~~ 2045, the minimum contribution to the System to be made by the State for each fiscal year shall be an amount determined by the System to be sufficient to bring the total assets of the System up to 90% of the total actuarial liabilities of the System by the end of State fiscal year 2045. In making these determinations, the required State contribution shall be calculated each year as a level percentage of payroll over the years remaining to and including fiscal year 2045 and shall be determined under the projected unit credit actuarial cost method.

For State fiscal years 1996 through 2005, the State contribution to the System, as a percentage of the applicable employee payroll, shall be increased in equal annual increments so that by State fiscal year 2011, the State is contributing at the rate required under this Section; except that in the following specified State fiscal years, the State contribution to the System shall not be less than the following indicated percentages of the applicable employee payroll, even if the indicated percentage will produce a State contribution in excess of the amount otherwise required under this subsection and subsection (a), and notwithstanding any contrary certification made under subsection (a-1) before the effective date of this amendatory Act of 1998: 10.02% in FY 1999; 10.77% in FY 2000; 11.47% in FY 2001; 12.16% in FY 2002; 12.86% in FY 2003; and 13.56% in FY 2004.

Notwithstanding any other provision of this Article, the total required State contribution for State fiscal year 2006 is \$534,627,700.

Notwithstanding any other provision of this Article, the total required State contribution for State fiscal year 2007 is \$738,014,500.

For each of State fiscal years 2008 through 2009, the State contribution to the System, as a percentage of the applicable employee payroll, shall be increased in equal annual increments from the required State contribution for State fiscal year 2007, so that by State fiscal year 2011, the State is contributing at the rate otherwise required under this Section.

Notwithstanding any other provision of this Article, the total required State contribution for State fiscal year 2010 is \$2,089,268,000 and shall be made from the proceeds of bonds sold in fiscal year 2010 pursuant to Section 7.2 of the General Obligation Bond Act, less (i) the pro rata share of bond sale expenses determined by the System's share of total bond proceeds, (ii) any amounts received from the Common School Fund in fiscal year 2010, and (iii) any reduction in bond proceeds due to the issuance of discounted bonds, if applicable.

Notwithstanding any other provision of this Article, the total required State contribution for State fiscal year 2011 is the amount recertified by the System on or before April 1, 2011 pursuant to subsection (a-1) of this Section and shall be made from the proceeds of bonds sold in fiscal year 2011 pursuant to Section 7.2 of the General Obligation Bond Act, less (i) the pro rata share of bond sale expenses determined by the System's share of total bond proceeds, (ii) any amounts received from the Common School Fund in fiscal year 2011, and (iii) any reduction in bond proceeds due to the issuance of discounted bonds, if applicable. This amount shall include, in addition to the amount certified by the System, an amount necessary to meet employer contributions required by the State as an employer under paragraph (e) of this Section, which may also be used by the System for contributions required by paragraph (a) of Section 16-127.

Beginning in State fiscal year 2046, the minimum State contribution for each fiscal year shall be the amount needed to maintain the total assets of the System at 90% of the total actuarial liabilities of the System.

Amounts received by the System pursuant to Section 25 of the Budget Stabilization Act or Section 8.12 of the State Finance Act in any fiscal year do not reduce and do not constitute payment of any portion of the minimum State contribution required under this Article in that fiscal year. Such amounts shall not reduce, and shall not be included in the calculation of, the required State contributions under this Article in any future year until the System has reached a funding ratio of at least 90%. A reference in this Article to the "required State contribution" or any substantially similar term does not include or apply to any amounts payable to the System under Section 25 of the Budget Stabilization Act.

Notwithstanding any other provision of this Section, the required State contribution for State fiscal year 2005 and for fiscal year 2008 and each fiscal year thereafter, as calculated under this Section and certified under subsection (a-1), shall not exceed an amount equal to (i) the amount of the required State contribution that would have been calculated under this Section for that fiscal year if the System had not received any payments under subsection (d) of Section 7.2 of the General Obligation Bond Act, minus (ii) the portion of the State's total debt service payments for that fiscal year on the bonds issued in fiscal year

2003 for the purposes of that Section 7.2, as determined and certified by the Comptroller, that is the same as the System's portion of the total moneys distributed under subsection (d) of Section 7.2 of the General Obligation Bond Act. In determining this maximum for State fiscal years 2008 through 2010, however, the amount referred to in item (i) shall be increased, as a percentage of the applicable employee payroll, in equal increments calculated from the sum of the required State contribution for State fiscal year 2007 plus the applicable portion of the State's total debt service payments for fiscal year 2007 on the bonds issued in fiscal year 2003 for the purposes of Section 7.2 of the General Obligation Bond Act, so that, by State fiscal year 2011, the State is contributing at the rate otherwise required under this Section.

(b-4) For employees first hired on or after 6 months after the effective date of this amendatory Act of the 100th General Assembly who have elected the benefits under Section 1-161 of this Code, the employer shall annually contribute an amount, expressed as a percentage of payroll, equal to the defined benefit normal cost of the defined benefit plan, less the employee contribution, plus 2%. On an annual basis, the System shall certify to each employer the amount of unfunded liability accrued in the employer's account to be paid by the employer so that the System is 90% funded by the end of State fiscal year 2045. The contributions shall be divided equally over a 12-month period and made monthly. The employer shall also contribute an amount equal to the employer defined contribution, as set on an individual employee basis, under paragraph (2) of subsection (k) of Section 1-161 during each pay period. The System shall have the authority to adopt rules regarding implementation of employer contributions.

(c) Payment of the required State contributions and of all pensions, retirement annuities, death benefits, refunds, and other benefits granted under or assumed by this System, and all expenses in connection with the administration and operation thereof, are obligations of the State.

If members are paid from special trust or federal funds which are administered by the employing unit, whether school district or other unit, the employing unit shall pay to the System from such funds the full accruing retirement costs based upon that service, which, beginning July 1, 2014, shall be at a rate, expressed as a percentage of salary, equal to the total minimum contribution to the System to be made by the State for that fiscal year, including both normal cost and unfunded liability components, expressed as a percentage of payroll, as determined by the System under subsection (b-3) of this Section. Employer contributions, based on salary paid to members from federal funds, may be forwarded by the distributing agency of the State of Illinois to the System prior to allocation, in an amount determined in accordance with guidelines established by such agency and the System. Any contribution for fiscal year 2015 collected as a result of the change made by this amendatory Act of the 98th General Assembly shall be considered a State contribution under subsection (b-3) of this Section.

(d) Effective July 1, 1986, any employer of a teacher as defined in paragraph (8) of Section 16-106 shall pay the employer's normal cost of benefits based upon the teacher's service, in addition to employee contributions, as determined by the System. Such employer contributions shall be forwarded monthly in accordance with guidelines established by the System.

However, with respect to benefits granted under Section 16-133.4 or 16-133.5 to a teacher as defined in paragraph (8) of Section 16-106, the employer's contribution shall be 12% (rather than 20%) of the member's highest annual salary rate for each year of creditable service granted, and the employer shall also pay the required employee contribution on behalf of the teacher. For the purposes of Sections 16-133.4 and 16-133.5, a teacher as defined in paragraph (8) of Section 16-106 who is serving in that capacity while on leave of absence from another employer under this Article shall not be considered an employee of the employer from which the teacher is on leave.

(e) Beginning July 1, 1998, every employer of a teacher shall pay to the System an employer contribution computed as follows:

(1) Beginning July 1, 1998 through June 30, 1999, the employer contribution shall be equal to 0.3% of each teacher's salary.

(2) Beginning July 1, 1999 and thereafter, the employer contribution shall be equal to 0.58% of each teacher's salary.

The school district or other employing unit may pay these employer contributions out of any source of funding available for that purpose and shall forward the contributions to the System on the schedule established for the payment of member contributions.

These employer contributions are intended to offset a portion of the cost to the System of the increases in retirement benefits resulting from this amendatory Act of 1998.

Each employer of teachers is entitled to a credit against the contributions required under this subsection (e) with respect to salaries paid to teachers for the period January 1, 2002 through June 30, 2003, equal to the amount paid by that employer under subsection (a-5) of Section 6.6 of the State Employees Group Insurance Act of 1971 with respect to salaries paid to teachers for that period.

The additional 1% employee contribution required under Section 16-152 by this amendatory Act of 1998 is the responsibility of the teacher and not the teacher's employer, unless the employer agrees, through collective bargaining or otherwise, to make the contribution on behalf of the teacher.

If an employer is required by a contract in effect on May 1, 1998 between the employer and an employee organization to pay, on behalf of all its full-time employees covered by this Article, all mandatory employee contributions required under this Article, then the employer shall be excused from paying the employer contribution required under this subsection (e) for the balance of the term of that contract. The employer and the employee organization shall jointly certify to the System the existence of the contractual requirement, in such form as the System may prescribe. This exclusion shall cease upon the termination, extension, or renewal of the contract at any time after May 1, 1998.

(f) For school years beginning on or after June 1, 2005 and before July 1, 2018, if the amount of a teacher's salary for any school year used to determine final average salary exceeds the member's annual full-time salary rate with the same employer for the previous school year by more than 6%, the teacher's employer shall pay to the System, in addition to all other payments required under this Section and in accordance with guidelines established by the System, the present value of the increase in benefits resulting from the portion of the increase in salary that is in excess of 6%. This present value shall be computed by the System on the basis of the actuarial assumptions and tables used in the most recent actuarial valuation of the System that is available at the time of the computation. If a teacher's salary for the 2005-2006 school year is used to determine final average salary under this subsection (f), then the changes made to this subsection (f) by Public Act 94-1057 shall apply in calculating whether the increase in his or her salary is in excess of 6%. For the purposes of this Section, change in employment under Section 10-21.12 of the School Code on or after June 1, 2005 shall constitute a change in employer. The System may require the employer to provide any pertinent information or documentation. The changes made to this subsection (f) by this amendatory Act of the 94th General Assembly apply without regard to whether the teacher was in service on or after its effective date.

Whenever it determines that a payment is or may be required under this subsection, the System shall calculate the amount of the payment and bill the employer for that amount. The bill shall specify the calculations used to determine the amount due. If the employer disputes the amount of the bill, it may, within 30 days after receipt of the bill, apply to the System in writing for a recalculation. The application must specify in detail the grounds of the dispute and, if the employer asserts that the calculation is subject to subsection (g) or (h) of this Section, must include an affidavit setting forth and attesting to all facts within the employer's knowledge that are pertinent to the applicability of that subsection. Upon receiving a timely application for recalculation, the System shall review the application and, if appropriate, recalculate the amount due.

The employer contributions required under this subsection (f) may be paid in the form of a lump sum within 90 days after receipt of the bill. If the employer contributions are not paid within 90 days after receipt of the bill, then interest will be charged at a rate equal to the System's annual actuarially assumed rate of return on investment compounded annually from the 91st day after receipt of the bill. Payments must be concluded within 3 years after the employer's receipt of the bill.

(f-1) For school years beginning on or after July 1, 2018, if the amount of a teacher's salary for any school year used to determine final average salary exceeds the member's annual full-time salary rate with the same employer for the previous school year by more than the unadjusted percentage increase in the consumer price index-u for the calendar year immediately preceding the beginning of the school year, published by the Public Pension Division of the Department of Insurance by November 1 of each year, then the teacher's employer shall pay to the System, in addition to all other payments required under this Section and in accordance with guidelines established by the System, the present value of the increase in benefits resulting from the portion of the increase in salary that is in excess of the unadjusted percentage increase in the consumer price index-u for the applicable calendar year. This present value shall be computed by the System on the basis of the actuarial assumptions and tables used in the most recent actuarial valuation of the System that is available at the time of the computation. The System may require the employer to provide any pertinent information or documentation.

Whenever it determines that a payment is or may be required under this subsection (f-1), the System shall calculate the amount of the payment and bill the employer for that amount. The bill shall specify the calculations used to determine the amount due. If the employer disputes the amount of the bill, it may, within 30 days after receipt of the bill, apply to the System in writing for a recalculation. The application must specify in detail the grounds of the dispute and, if the employer asserts that the calculation is subject to subsection (h-1) of this Section, must include an affidavit setting forth and attesting to all facts within the employer's knowledge that are pertinent to the applicability of subsection (h-1). Upon receiving a



timely application for recalculation, the System shall review the application and, if appropriate, recalculate the amount due.

The employer contributions required under this subsection (f-1) may be paid in the form of a lump sum within 90 days after receipt of the bill. If the employer contributions are not paid within 90 days after receipt of the bill, then interest shall be charged at a rate equal to the System's annual actuarially assumed rate of return on investment compounded annually from the 91st day after receipt of the bill. Payments must be concluded within 3 years after the employer's receipt of the bill.

For the purposes of this Section, "consumer price index-u" means the index published by the Bureau of Labor Statistics of the United States Department of Labor that measures the average change in prices of goods and services purchased by all urban consumers, United States city average, all items, 1982-84 = 100. The new amount resulting from each annual adjustment shall be determined by the Public Pension Division of the Department of Insurance and made available to the boards of the retirement systems and pension funds by November 1 of each year.

(g) This subsection (g) applies only to payments made or salary increases given on or after June 1, 2005 but before July 1, 2011. The changes made by Public Act 94-1057 shall not require the System to refund any payments received before July 31, 2006 (the effective date of Public Act 94-1057).

When assessing payment for any amount due under subsection (f), the System shall exclude salary increases paid to teachers under contracts or collective bargaining agreements entered into, amended, or renewed before June 1, 2005.

When assessing payment for any amount due under subsection (f), the System shall exclude salary increases paid to a teacher at a time when the teacher is 10 or more years from retirement eligibility under Section 16-132 or 16-133.2.

When assessing payment for any amount due under subsection (f), the System shall exclude salary increases resulting from overload work, including summer school, when the school district has certified to the System, and the System has approved the certification, that (i) the overload work is for the sole purpose of classroom instruction in excess of the standard number of classes for a full-time teacher in a school district during a school year and (ii) the salary increases are equal to or less than the rate of pay for classroom instruction computed on the teacher's current salary and work schedule.

When assessing payment for any amount due under subsection (f), the System shall exclude a salary increase resulting from a promotion (i) for which the employee is required to hold a certificate or supervisory endorsement issued by the State Teacher Certification Board that is a different certification or supervisory endorsement than is required for the teacher's previous position and (ii) to a position that has existed and been filled by a member for no less than one complete academic year and the salary increase from the promotion is an increase that results in an amount no greater than the lesser of the average salary paid for other similar positions in the district requiring the same certification or the amount stipulated in the collective bargaining agreement for a similar position requiring the same certification.

When assessing payment for any amount due under subsection (f), the System shall exclude any payment to the teacher from the State of Illinois or the State Board of Education over which the employer does not have discretion, notwithstanding that the payment is included in the computation of final average salary.

(h) When assessing payment for any amount due under subsection (f), the System shall exclude any salary increase described in subsection (g) of this Section given on or after July 1, 2011 but before July 1, 2014 under a contract or collective bargaining agreement entered into, amended, or renewed on or after June 1, 2005 but before July 1, 2011. Notwithstanding any other provision of this Section, any payments made or salary increases given after June 30, 2014 shall be used in assessing payment for any amount due under subsection (f) of this Section.

(h-1) When assessing payment for any amount due under subsection (f-1), the System shall exclude earnings increases paid to participants under contracts or collective bargaining agreements entered into, amended, or renewed before the effective date of this amendatory Act of the 100th General Assembly.

(i) The System shall prepare a report and file copies of the report with the Governor and the General Assembly by January 1, 2007 that contains all of the following information:

- (1) The number of recalculations required by the changes made to this Section by Public Act 94-1057 for each employer.
- (2) The dollar amount by which each employer's contribution to the System was changed due to recalculations required by Public Act 94-1057.
- (3) The total amount the System received from each employer as a result of the changes made to this Section by Public Act 94-4.
- (4) The increase in the required State contribution resulting from the changes made to this Section by Public Act 94-1057.

(i-5) For school years beginning on or after July 1, 2018, if the amount of a participant's salary for any school year, determined on a full-time equivalent basis, exceeds \$140,000, the participant's employer shall pay to the System, in addition to all other payments required under this Section and in accordance with guidelines established by the System, the amount of earnings that exceed \$140,000 multiplied by the level percentage of payroll used in that fiscal year as determined by the System to be sufficient to bring the total assets of the System up to 90% of the total actuarial liabilities of the System by the end of State fiscal year 2045. This amount shall be computed by the System on the basis of the actuarial assumptions and tables used in the most recent actuarial valuation of the System that is available at the time of the computation. The System may require the employer to provide any pertinent information or documentation.

Whenever it determines that a payment is or may be required under this subsection, the System shall calculate the amount of the payment and bill the employer for that amount. The bill shall specify the calculations used to determine the amount due. If the employer disputes the amount of the bill, it may, within 30 days after receipt of the bill, apply to the System in writing for a recalculation. The application must specify in detail the grounds of the dispute. Upon receiving a timely application for recalculation, the System shall review the application and, if appropriate, recalculate the amount due.

The employer contributions required under this subsection may be paid in the form of a lump sum within 90 days after receipt of the bill. If the employer contributions are not paid within 90 days after receipt of the bill, then interest will be charged at a rate equal to the System's annual actuarially assumed rate of return on investment compounded annually from the 91st day after receipt of the bill. Payments must be concluded within 3 years after the employer's receipt of the bill.

(j) For purposes of determining the required State contribution to the System, the value of the System's assets shall be equal to the actuarial value of the System's assets, which shall be calculated as follows:

As of June 30, 2008, the actuarial value of the System's assets shall be equal to the market value of the assets as of that date. In determining the actuarial value of the System's assets for fiscal years after June 30, 2008, any actuarial gains or losses from investment return incurred in a fiscal year shall be recognized in equal annual amounts over the 5-year period following that fiscal year.

(k) For purposes of determining the required State contribution to the system for a particular year, the actuarial value of assets shall be assumed to earn a rate of return equal to the system's actuarially assumed rate of return.

(l) If Section 16-122.9 is determined to be unconstitutional or otherwise invalid by a final unappealable decision of an Illinois court or a court of competent jurisdiction, then the changes made to this Section by this amendatory Act of the 100th General Assembly shall not take effect and are repealed by operation of law.

(Source: P.A. 96-43, eff. 7-15-09; 96-1497, eff. 1-14-11; 96-1511, eff. 1-27-11; 96-1554, eff. 3-18-11; 97-694, eff. 6-18-12; 97-813, eff. 7-13-12; 98-674, eff. 6-30-14.)

(40 ILCS 5/16-190.5 new)

Sec. 16-190.5. Accelerated pension benefit payment.

(a) As used in this Section:

"Eligible person" means a person who:

(1) has terminated service;

(2) has accrued sufficient service credit to be eligible to receive a retirement annuity under this

Article;

(3) has not received any retirement annuity under this Article; and

(4) does not have a QILDRO in effect against him or her under this Article.

"Pension benefit" means the benefits under this Article, or Article 1 as it relates to those benefits, including any anticipated annual increases, that an eligible person is entitled to upon attainment of the applicable retirement age. "Pension benefit" also includes applicable survivor's or disability benefits.

(b) Before January 1, 2018, and annually thereafter, the System shall calculate, using actuarial tables and other assumptions adopted by the Board, the net present value of pension benefits for each eligible person and shall offer each eligible person the opportunity to irrevocably elect to receive an amount determined by the System to be equal to 70% of the net present value of his or her pension benefits in lieu of receiving any pension benefit. The offer shall specify the dollar amount that the eligible person will receive if he or she so elects and shall expire when a subsequent offer is made to an eligible person or when the System determines that 10% of eligible persons in that year have made the election under this subsection, whichever occurs first. The System shall make a good faith effort to contact every eligible person to notify him or her of the election and of the amount of the accelerated pension benefit payment.

Until the System determines that 10% of eligible persons in that year have made the election under this subsection, an eligible person may irrevocably elect to receive an accelerated pension benefit payment in the amount that the System offers under this subsection in lieu of receiving any pension benefit. A person

who elects to receive an accelerated pension benefit payment under this Section may not elect to proceed under the Retirement Systems Reciprocal Act with respect to service under this Article.

(c) A person's credits and creditable service under this Article shall be terminated upon the person's receipt of an accelerated pension benefit payment under this Section, and no other benefit shall be paid under this Article based on those terminated credits and creditable service, including any retirement, survivor, or other benefit; except that to the extent that participation, benefits, or premiums under the State Employees Group Insurance Act of 1971 are based on the amount of service credit, the terminated service credit shall be used for that purpose.

(d) If a person who has received an accelerated pension benefit payment under this Section returns to active service under this Article, then:

(1) Any benefits under the System earned as a result of that return to active service shall be based solely on the person's credits and creditable service arising from the return to active service.

(2) The accelerated pension benefit payment may not be repaid to the System, and the terminated credits and creditable service may not under any circumstances be reinstated.

(e) As a condition of receiving an accelerated pension benefit payment, an eligible person must have another retirement plan or account qualified under the Internal Revenue Code of 1986, as amended, for the accelerated pension benefit payment to be rolled into. The accelerated pension benefit payment under this Section may be subject to withholding or payment of applicable taxes, but to the extent permitted by federal law, a person who receives an accelerated pension benefit payment under this Section must direct the System to pay all of that payment as a rollover into another retirement plan or account qualified under the Internal Revenue Code of 1986, as amended.

(f) Before January 1, 2019 and every January 1 thereafter, the Board shall certify to the Illinois Finance Authority and the General Assembly the amount by which the total amount of accelerated pension benefit payments made under this Section exceed the amount appropriated to the System for the purpose of making those payments.

(g) The Board shall adopt any rules necessary to implement this Section.

(h) No provision of this Section shall be interpreted in a way that would cause the applicable System to cease to be a qualified plan under the Internal Revenue Code of 1986.

(i) Notwithstanding any other provision of this Section, in no case shall the total amount of accelerated pension benefit payments paid under this Section, Section 14-147.5, and Section 15-185.5, and Section 16-190.5 cause the Illinois Finance Authority to issue more than the \$250,000,000 of State Pension Obligation Acceleration Bonds authorized in subsection (c-5) of Section 801-40 of the Illinois Finance Authority Act.

(40 ILCS 5/16-203)

(Text of Section WITHOUT the changes made by P.A. 98-599, which has been held unconstitutional) Sec. 16-203. Application and expiration of new benefit increases.

(a) As used in this Section, "new benefit increase" means an increase in the amount of any benefit provided under this Article, or an expansion of the conditions of eligibility for any benefit under this Article, that results from an amendment to this Code that takes effect after June 1, 2005 (the effective date of Public Act 94-4). "New benefit increase", however, does not include any benefit increase resulting from the changes made to this Article by Public Act 95-910 or this amendatory Act of the 100th 95th General Assembly.

(b) Notwithstanding any other provision of this Code or any subsequent amendment to this Code, every new benefit increase is subject to this Section and shall be deemed to be granted only in conformance with and contingent upon compliance with the provisions of this Section.

(c) The Public Act enacting a new benefit increase must identify and provide for payment to the System of additional funding at least sufficient to fund the resulting annual increase in cost to the System as it accrues.

Every new benefit increase is contingent upon the General Assembly providing the additional funding required under this subsection. The Commission on Government Forecasting and Accountability shall analyze whether adequate additional funding has been provided for the new benefit increase and shall report its analysis to the Public Pension Division of the Department of ~~Insurance, Financial and Professional Regulation~~. A new benefit increase created by a Public Act that does not include the additional funding required under this subsection is null and void. If the Public Pension Division determines that the additional funding provided for a new benefit increase under this subsection is or has become inadequate, it may so certify to the Governor and the State Comptroller and, in the absence of corrective action by the General Assembly, the new benefit increase shall expire at the end of the fiscal year in which the certification is made.

(d) Every new benefit increase shall expire 5 years after its effective date or on such earlier date as may be specified in the language enacting the new benefit increase or provided under subsection (c). This does not prevent the General Assembly from extending or re-creating a new benefit increase by law.

(e) Except as otherwise provided in the language creating the new benefit increase, a new benefit increase that expires under this Section continues to apply to persons who applied and qualified for the affected benefit while the new benefit increase was in effect and to the affected beneficiaries and alternate payees of such persons, but does not apply to any other person, including without limitation a person who continues in service after the expiration date and did not apply and qualify for the affected benefit while the new benefit increase was in effect.

(Source: P.A. 94-4, eff. 6-1-05; 95-910, eff. 8-26-08.)

(40 ILCS 5/16-205.1 new)

Sec. 16-205.1. Defined contribution plan.

(a) By July 1, 2018, the System shall prepare and implement a voluntary defined contribution plan for up to 5% of eligible active Tier 1 employees. The System shall determine the 5% cap by the number of active Tier 1 employees on the effective date of this Section. The defined contribution plan developed under this Section shall be a plan that aggregates employer and employee contributions in individual participant accounts which, after meeting any other requirements, are used for payouts after retirement in accordance with this Section and any other applicable laws.

As used in this Section, "defined benefit plan" means the retirement plan available under this Article to Tier 1 employees who have not made the election authorized under this Section.

(1) Under the defined contribution plan, an active Tier 1 employee of this System could elect to cease accruing benefits in the defined benefit plan under this Article and begin accruing benefits for future service in the defined contribution plan. Service credit under the defined contribution plan may be used for determining retirement eligibility under the defined benefit plan. An active Tier 1 employee who elects to cease accruing benefits in his or her defined benefit plan shall be prohibited from purchasing service credit on or after the date of his or her election. A Tier 1 employee making the irrevocable election provided under this Section shall not receive interest accruals to his or her benefit under paragraph (A) of subsection (a) of Section 16-133 on or after the date of his or her election.

(2) Participants in the defined contribution plan shall pay employee contributions at the same rate as Tier 1 employees in this System who do not participate in the defined contribution plan.

(3) State contributions shall be paid into the accounts of all participants in the defined contribution plan at a uniform rate, expressed as a percentage of salary and determined for each year. This rate shall be no higher than the employer's normal cost for Tier 1 employees in the defined benefit plan for that year, as determined by the System and expressed as a percentage of salary, and shall be no lower than 0% of salary. The State shall adjust this rate annually.

(4) The defined contribution plan shall require 5 years of participation in the defined contribution plan before vesting in State contributions. If the participant fails to vest in them, the State contributions, and the earnings thereon, shall be forfeited.

(5) The defined contribution plan may provide for participants in the plan to be eligible for the defined disability benefits available to other participants under this Article. If it does, the System shall reduce the employee contributions credited to the member's defined contribution plan account by an amount determined by the System to cover the cost of offering such benefits.

(6) The defined contribution plan shall provide a variety of options for investments. These options shall include investments in a fund created by the System and managed in accordance with legal and fiduciary standards, as well as investment options otherwise available.

(7) The defined contribution plan shall provide a variety of options for payouts to retirees and their survivors.

(8) To the extent authorized under federal law and as authorized by the System, the plan shall allow former participants in the plan to transfer or roll over employee and vested State contributions, and the earnings thereon, into other qualified retirement plans.

(9) The System shall reduce the employee contributions credited to the member's defined contribution plan account by an amount determined by the System to cover the cost of offering these benefits and any applicable administrative fees.

(b) Only persons who are active Tier 1 employees of the System on the effective date of this Section are eligible to participate in the defined contribution plan. Participation in the defined contribution plan shall be limited to the first 5% of eligible persons who elect to participate. The election to participate in the defined contribution plan is voluntary and irrevocable.

(c) An eligible Tier 1 employee may irrevocably elect to participate in the defined contribution plan by filing with the System a written application to participate that is received by the System prior to its determination that 5% of eligible persons have elected to participate in the defined contribution plan.

When the System first determines that 5% of eligible persons have elected to participate in the defined contribution plan, the System shall provide notice to previously eligible employees that the plan is no longer available and shall cease accepting applications to participate.

(d) The System shall make a good faith effort to contact each active Tier 1 employee who is eligible to participate in the defined contribution plan. The System shall mail information describing the option to join the defined contribution plan to each of these employees to his or her last known address on file with the System. If the employee is not responsive to other means of contact, it is sufficient for the System to publish the details of the option on its website.

Upon request for further information describing the option, the System shall provide employees with information from the System before exercising the option to join the plan, including information on the impact to their vested benefits or non-vested service. The individual consultation shall include projections of the member's defined benefits at retirement or earlier termination of service and the value of the member's account at retirement or earlier termination of service. The System shall not provide advice or counseling with respect to whether the employee should exercise the option. The System shall inform Tier 1 employees who are eligible to participate in the defined contribution plan that they may also wish to obtain information and counsel relating to their option from any other available source, including but not limited to labor organizations, private counsel, and financial advisors.

(e) In no event shall the System, its staff, its authorized representatives, or the Board be liable for any information given to an employee under this Section. The System may coordinate with the Illinois Department of Central Management Services and other retirement systems administering a defined contribution plan in accordance with this amendatory Act of the 100th General Assembly to provide information concerning the impact of the option set forth in this Section.

(f) Notwithstanding any other provision of this Section, no person shall begin participating in the defined contribution plan until it has attained qualified plan status and received all necessary approvals from the U.S. Internal Revenue Service.

(g) The System shall report on its progress under this Section, including the available details of the defined contribution plan and the System's plans for informing eligible Tier 1 employees about the plan, to the Governor and the General Assembly on or before January 15, 2018.

(h) The intent of this amendatory Act of the 100th General Assembly is to ensure that the State's normal cost of participation in the defined contribution plan is similar, and if possible equal, to the State's normal cost of participation in the defined benefit plan, unless a lower State's normal cost is necessary to ensure cost neutrality.

(i) If Section 16-122.9 is determined to be unconstitutional or otherwise invalid by a final unappealable decision of an Illinois court or a court of competent jurisdiction, then this Section shall not take effect and is repealed by operation of law.

(40 ILCS 5/16-206.1 new)

Sec. 16-206.1. Defined contribution plan; termination. If the defined contribution plan is terminated or becomes inoperative pursuant to law, then each participant in the plan shall automatically be deemed to have been a contributing Tier 1 employee in the System's defined benefit plan during the time in which he or she participated in the defined contribution plan, and for that purpose the System shall be entitled to recover the amounts in the participant's defined contribution accounts.

(40 ILCS 5/17-106.05 new)

Sec. 17-106.05. Tier 1 employee. "Tier 1 employee": A teacher under this Article who first became a member or participant before January 1, 2011 under any reciprocal retirement system or pension fund established under this Code other than a retirement system or pension fund established under Article 2, 3, 4, 5, 6, or 18 of this Code. However, for the purposes of the election under Section 17-115.5, "Tier 1 employee" does not include a teacher under this Article who would qualify as a Tier 1 employee but who has made an irrevocable election on or before June 1, 2017 to retire from service pursuant to the terms of an employment contract or a collective bargaining agreement in effect on June 1, 2017, excluding any extension, amendment, or renewal of that agreement after that date, and has notified the Fund of that election.

(40 ILCS 5/17-113.4 new)

Sec. 17-113.4. Salary. "Salary" means any income in any form that qualifies as "average salary" or "annual rate of salary" for purposes of paragraph (1) of subsection (c) of Section 17-116 and "salary" for payroll deduction purposes under Sections 17-130, 17-131, and 17-132.

Notwithstanding any other provision of this Section, "salary" does not include any future increase in income that is offered by an employer for service as a Tier 1 employee under this Article pursuant to the condition set forth in subsection (c) of Section 17-115.5 and accepted under that condition by a Tier 1 employee who has made the election under paragraph (2) of subsection (a) of Section 17-115.5.

(40 ILCS 5/17-113.5 new)

Sec. 17-113.5. Future increase in income. "Future increase in income" means an increase to a Tier 1 employee's base pay that is offered by an employer to the Tier 1 employee for service under this Article after June 30, 2018 that qualifies as "salary", as defined in Section 17-113.4, or would qualify as "salary" but for the fact that it was offered to and accepted by the Tier 1 employee under the condition set forth in subsection (c) of Section 17-115.5. The term "future increase in income" includes an increase to a Tier 1 employee's base pay that is paid to the Tier 1 employee pursuant to an extension, amendment, or renewal of any employment contract or collective bargaining agreement after the effective date of this Section.

(40 ILCS 5/17-113.6 new)

Sec. 17-113.6. Base pay. As used in Section 17-113.5 of this Code, "base pay" means the greater of either (i) the Tier 1 employee's annualized rate of salary as of June 30, 2018, or (ii) the Tier 1 employee's annualized rate of salary immediately preceding the expiration, renewal, or amendment of an employment contract or collective bargaining agreement in effect on the effective date of this Section. For a person returning to active service as a Tier 1 employee after June 30, 2018, however, "base pay" means the employee's annualized rate of salary as of the employee's last date of service prior to July 1, 2018. The Fund shall calculate the base pay of each Tier 1 employee pursuant to this Section.

(40 ILCS 5/17-115.5 new)

Sec. 17-115.5. Election by Tier 1 employees.

(a) Each active Tier 1 employee shall make an irrevocable election either:

(1) to agree to delay his or her eligibility for automatic annual increases in service retirement pension as provided in Section 17-119.2 and to have the amount of the automatic annual increases in his or her service retirement pension and survivor's pension that are otherwise provided for in this Article calculated, instead, as provided in Section 17-119.2; or

(2) to not agree to paragraph (1) of this subsection.

The election required under this subsection (a) shall be made by each active Tier 1 employee no earlier than January 1, 2018 and no later than March 31, 2018, except that:

(i) a person who becomes a Tier 1 employee under this Article on or after January 1, 2018 must make the election under this subsection (a) within 60 days after becoming a Tier 1 employee; and

(ii) a person who returns to active service as a Tier 1 employee under this Article on or after January 1, 2018 and has not yet made an election under this Section must make the election under this subsection (a) within 60 days after returning to active service as a Tier 1 employee.

If a Tier 1 employee fails for any reason to make a required election under this subsection within the time specified, then the employee shall be deemed to have made the election under paragraph (2) of this subsection.

(a-5) If this Section is enjoined or stayed by an Illinois court or a court of competent jurisdiction pending the entry of a final and unappealable decision, and this Section is determined to be constitutional or otherwise valid by a final unappealable decision of an Illinois court or a court of competent jurisdiction, then the election procedure set forth in subsection (a) of this Section shall commence on the 180th calendar day after the date of the issuance of the final unappealable decision and shall conclude at the end of the 270th calendar day after that date.

(a-10) All elections under subsection (a) that are made or deemed to be made before July 1, 2018 shall take effect on July 1, 2018. Elections that are made or deemed to be made on or after July 1, 2018 shall take effect on the first day of the month following the month in which the election is made or deemed to be made.

(b) As adequate and legal consideration provided under this amendatory Act of the 100th General Assembly for making an election under paragraph (1) of subsection (a) of this Section, an employer shall be expressly and irrevocably prohibited from offering any future increases in income to a Tier 1 employee who has made an election under paragraph (1) of subsection (a) of this Section on the condition of not constituting salary under Section 17-113.4.

As adequate and legal consideration provided under this amendatory Act of the 100th General Assembly for making an election under paragraph (1) of subsection (a) of this Section, each Tier 1 employee who has made an election under paragraph (1) of subsection (a) of this Section shall receive a consideration payment equal to 10% of the contributions made by or on behalf of the employee under Section 17-130 before the effective date of that election. The State Comptroller shall pay the consideration payment to the Tier 1 employee out of funds appropriated for that purpose under Section 1.9 of the State Pension Funds

[February 28, 2017]

Continuing Appropriation Act. The Fund shall calculate the amount of each consideration payment and, by July 1, 2018, shall certify to the State Comptroller the amount of the consideration payment, together with the name, address, and any other available payment information of the Tier 1 employee as found in the records of the Fund. The Fund shall make additional calculations and certifications of consideration payments to the State Comptroller as the Fund deems necessary.

(c) A Tier 1 employee who makes the election under paragraph (2) of subsection (a) of this Section shall not be subject to paragraph (1) of subsection (a) of this Section. However, each future increase in income offered by an employer under this Article to a Tier 1 employee who has made the election under paragraph (2) of subsection (a) of this Section shall be offered by the employer expressly and irrevocably on the condition of not constituting salary under Section 17-113.4 and that the Tier 1 employee's acceptance of the offered future increase in income shall constitute his or her agreement to that condition.

(d) The Fund shall make a good faith effort to contact each Tier 1 employee subject to this Section. The Fund shall mail information describing the required election to each Tier 1 employee by United States Postal Service mail to his or her last known address on file with the Fund. If the Tier 1 employee is not responsive to other means of contact, it is sufficient for the Fund to publish the details of any required elections on its website or to publish those details in a regularly published newsletter or other existing public forum.

Tier 1 employees who are subject to this Section shall be provided with an election packet containing information regarding their options, as well as the forms necessary to make the required election. Upon request, the Fund shall offer Tier 1 employees an opportunity to receive information from the Fund before making the required election. The information may consist of video materials, group presentations, individual consultation with a member or authorized representative of the Fund in person or by telephone or other electronic means, or any combination of those methods. The Fund shall not provide advice or counseling with respect to which election a Tier 1 employee should make or specific to the legal or tax circumstances of or consequences to the Tier 1 employee.

The Fund shall inform Tier 1 employees in the election packet required under this subsection that the Tier 1 employee may also wish to obtain information and counsel relating to the election required under this Section from any other available source, including, but not limited to, labor organizations and private counsel.

In no event shall the Fund, its staff, or the Board be held liable for any information given to a member regarding the elections under this Section. The Fund shall coordinate with the Illinois Department of Central Management Services and each other retirement system administering an election in accordance with this amendatory Act of the 100th General Assembly to provide information concerning the impact of the election set forth in this Section.

(e) Notwithstanding any other provision of law, an employer under this Article is required to offer each future increase in income expressly and irrevocably on the condition of not constituting "salary" under Section 17-113.4 to any Tier 1 employee who has made an election under paragraph (2) of subsection (a) of this Section. The offer shall also provide that the Tier 1 employee's acceptance of the offered future increase in income shall constitute his or her agreement to the condition set forth in this subsection.

For purposes of legislative intent, the condition set forth in this subsection shall be construed in a manner that ensures that the condition is not violated or circumvented through any contrivance of any kind.

(f) A member's election under this Section is not a prohibited election under subdivision (j)(1) of Section 1-119 of this Code.

(g) No provision of this Section shall be interpreted in a way that would cause the Fund to cease to be a qualified plan under Section 401(a) of the Internal Revenue Code of 1986.

(h) If an election created by this amendatory Act in any other Article of this Code or any change deriving from that election is determined to be unconstitutional or otherwise invalid by a final unappealable decision of an Illinois court or a court of competent jurisdiction, the invalidity of that provision shall not in any way affect the validity of this Section or the changes deriving from the election required under this Section.

(40 ILCS 5/17-116) (from Ch. 108 1/2, par. 17-116)  
Sec. 17-116. Service retirement pension.

(a) Each teacher having 20 years of service upon attainment of age 55, or who thereafter attains age 55 shall be entitled to a service retirement pension upon or after attainment of age 55; and each teacher in service on or after July 1, 1971, with 5 or more but less than 20 years of service shall be entitled to receive a service retirement pension upon or after attainment of age 62.

(b) The service retirement pension for a teacher who retires on or after June 25, 1971, at age 60 or over, shall be calculated as follows:

(1) For creditable service earned before July 1, 1998 that has not been augmented under

Section 17-119.1: 1.67% for each of the first 10 years of service; 1.90% for each of the next 10 years of service; 2.10% for each year of service in excess of 20 but not exceeding 30; and 2.30% for each year of service in excess of 30, based upon average salary as herein defined.

(2) For creditable service earned on or after July 1, 1998 by a member who has at least 30 years of creditable service on July 1, 1998 and who does not elect to augment service under Section 17-119.1: 2.3% of average salary for each year of creditable service earned on or after July 1, 1998.

(3) For all other creditable service: 2.2% of average salary for each year of creditable service.

(c) When computing such service retirement pensions, the following conditions shall apply:

1. Average salary shall consist of the average annual rate of salary for the 4 consecutive years of validated service within the last 10 years of service when such average annual rate was highest. In the determination of average salary for retirement allowance purposes, for members who commenced employment after August 31, 1979, that part of the salary for any year shall be excluded which exceeds the annual full-time salary rate for the preceding year by more than 20%. In the case of a member who commenced employment before August 31, 1979 and who receives salary during any year after September 1, 1983 which exceeds the annual full time salary rate for the preceding year by more than 20%, an Employer and other employers of eligible contributors as defined in Section 17-106 shall pay to the Fund an amount equal to the present value of the additional service retirement pension resulting from such excess salary. The present value of the additional service retirement pension shall be computed by the Board on the basis of actuarial tables adopted by the Board. If a member elects to receive a pension from this Fund provided by Section 20-121, his salary under the State Universities Retirement System and the Teachers' Retirement System of the State of Illinois shall be considered in determining such average salary. Amounts paid after the effective date of this amendatory Act of 1991 for unused vacation time earned after that effective date shall not under any circumstances be included in the calculation of average salary or the annual rate of salary for the purposes of this Article.

2. Proportionate credit shall be given for validated service of less than one year.

3. For retirement at age 60 or over the pension shall be payable at the full rate.

4. For separation from service below age 60 to a minimum age of 55, the pension shall be discounted at the rate of 1/2 of one per cent for each month that the age of the contributor is less than 60, but a teacher may elect to defer the effective date of pension in order to eliminate or reduce this discount. This discount shall not be applicable to any participant who has at least 34 years of service or a retirement pension of at least 74.6% of average salary on the date the retirement annuity begins.

5. No additional pension shall be granted for service exceeding 45 years. Beginning June 26, 1971 no pension shall exceed the greater of \$1,500 per month or 75% of average salary as herein defined.

6. Service retirement pensions shall begin on the effective date of resignation, retirement, the day following the close of the payroll period for which service credit was validated, or the time the person resigning or retiring attains age 55, or on a date elected by the teacher, whichever shall be latest; provided that, for a person who first becomes a member after the effective date of this amendatory Act of the 99th General Assembly, the benefit shall not commence more than one year prior to the date of the Fund's receipt of an application for the benefit.

7. A member who is eligible to receive a retirement pension of at least 74.6% of average salary and will attain age 55 on or before December 31 during the year which commences on July 1 shall be deemed to attain age 55 on the preceding June 1.

8. A member retiring after the effective date of this amendatory Act of 1998 shall receive a pension equal to 75% of average salary if the member is qualified to receive a retirement pension equal to at least 74.6% of average salary under this Article or as proportional annuities under Article 20 of this Code.

(d) Notwithstanding any other provision of this Section, annual salary does not include any future increase in income that is offered for service to a Tier 1 employee under this Article pursuant to the condition set forth in subsection (c) of Section 17-115.5 and accepted under that condition by a Tier 1 employee who has made the election under paragraph (2) of subsection (a) of Section 17-115.5.

Notwithstanding any other provision of this Section, annual salary does not include any consideration payment made to a Tier 1 employee.

(Source: P.A. 99-702, eff. 7-29-16.)

(40 ILCS 5/17-119.2 new)

Sec. 17-119.2. Automatic annual increases in service retirement pension and survivor's pension for certain Tier 1 employees. Notwithstanding any other provision of this Article, for a Tier 1 employee who made the election under paragraph (1) of subsection (a) of Section 17-115.5:



(1) The initial increase in service retirement pension shall occur on the January 1 occurring either on or after the attainment of age 67 or the fifth anniversary of the pension start date, whichever is earlier.

(2) The amount of each automatic annual increase in service retirement pension or survivor's pension occurring on or after the effective date of that election shall be calculated as a percentage of the originally granted service retirement pension or survivor's pension, equal to 3% or one-half the annual unadjusted percentage increase (but not less than zero) in the consumer price index-u for the 12 months ending with the September preceding each November 1, whichever is less. If the annual unadjusted percentage change in the consumer price index-u for the 12 months ending with the September preceding each November 1 is zero or there is a decrease, then the annuity shall not be increased.

For the purposes of this Section, "consumer price index-u" means the index published by the Bureau of Labor Statistics of the United States Department of Labor that measures the average change in prices of goods and services purchased by all urban consumers, United States city average, all items, 1982-84 = 100. The new amount resulting from each annual adjustment shall be determined by the Public Pension Division of the Department of Insurance and made available to the Board by November 1 of each year.

(40 ILCS 5/17-129) (from Ch. 108 1/2, par. 17-129)

Sec. 17-129. Employer contributions; deficiency in Fund.

(a) If in any fiscal year of the Board of Education ending prior to 1997 the total amounts paid to the Fund from the Board of Education (other than under this subsection, and other than amounts used for making or "picking up" contributions on behalf of teachers) and from the State do not equal the total contributions made by or on behalf of the teachers for such year, or if the total income of the Fund in any such fiscal year of the Board of Education from all sources is less than the total such expenditures by the Fund for such year, the Board of Education shall, in the next succeeding year, in addition to any other payment to the Fund set apart and appropriate from moneys from its tax levy for educational purposes, a sum sufficient to remove such deficiency or deficiencies, and promptly pay such sum into the Fund in order to restore any of the reserves of the Fund that may have been so temporarily applied. Any amounts received by the Fund after December 4, 1997 from State appropriations, including under Section 17-127, shall be a credit against and shall fully satisfy any obligation that may have arisen, or be claimed to have arisen, under this subsection (a) as a result of any deficiency or deficiencies in the fiscal year of the Board of Education ending in calendar year 1997.

(b) (i) Notwithstanding any other provision of this Section, and notwithstanding any prior certification by the Board under subsection (c) for fiscal year 2011, the Board of Education's total required contribution to the Fund for fiscal year 2011 under this Section is \$187,000,000.

(ii) Notwithstanding any other provision of this Section, the Board of Education's total required contribution to the Fund for fiscal year 2012 under this Section is \$192,000,000.

(iii) Notwithstanding any other provision of this Section, the Board of Education's total required contribution to the Fund for fiscal year 2013 under this Section is \$196,000,000.

(iv) For fiscal years 2014 through 2059, the minimum contribution to the Fund to be made by the Board of Education in each fiscal year shall be an amount determined by the Fund to be sufficient to bring the total assets of the Fund up to 90% of the total actuarial liabilities of the Fund by the end of fiscal year 2059. In making these determinations, the required Board of Education contribution shall be calculated each year as a level percentage of the applicable employee payrolls over the years remaining to and including fiscal year 2059 and shall be determined under the projected unit credit actuarial cost method.

(v) Beginning in fiscal year 2060, the minimum Board of Education contribution for each fiscal year shall be the amount needed to maintain the total assets of the Fund at 90% of the total actuarial liabilities of the Fund.

(vi) Notwithstanding any other provision of this subsection (b), for any fiscal year, the contribution to the Fund from the Board of Education shall not be required to be in excess of the amount calculated as needed to maintain the assets (or cause the assets to be) at the 90% level by the end of the fiscal year.

(vii) Any contribution by the State to or for the benefit of the Fund, including, without limitation, as referred to under Section 17-127, shall be a credit against any contribution required to be made by the Board of Education under this subsection (b).

(c) The Board shall determine the amount of Board of Education contributions required for each fiscal year on the basis of the actuarial tables and other assumptions adopted by the Board and the recommendations of the actuary, in order to meet the minimum contribution requirements of subsections (a) and (b). Annually, on or before February 28, the Board shall certify to the Board of Education the amount of the required Board of Education contribution for the coming fiscal year. The certification shall include a copy of the actuarial recommendations upon which it is based.

Beginning in fiscal year 2018, any increase or decrease in the Board of Education's contribution over the prior fiscal year due exclusively to changes in actuarial or investment assumptions adopted by the

Board shall be included in the Board of Education's contribution to the Fund, as a percentage of the applicable employee payroll, and shall be increased in equal annual increments so that by the fiscal year occurring 5 years after the adoption of the actuarial or investment assumptions, the Board of Education is contributing at the rate otherwise required under this Section.

(d) As soon as practical after the effective date of this amendatory Act of the 100th General Assembly, the Board shall recalculate and recertify to the Board of Education the amount of the required Board of Education contribution to the Fund for fiscal year 2019, taking into account the changes in required Board of Education contributions made by this amendatory Act of the 100th General Assembly.

On or before May 1, 2018, the Board shall recalculate and recertify to the Board of Education the amount of the required Board of Education contribution to the Fund for fiscal year 2019, taking into account the effect on the Fund's liabilities of the elections made under Section 17-115.5.

(Source: P.A. 96-889, eff. 4-14-10.)

(40 ILCS 5/17-130) (from Ch. 108 1/2, par. 17-130)

Sec. 17-130. Participants' contributions by payroll deductions.

(a) Except as provided in subsection (a-5), there ~~There~~ shall be deducted from the salary of each teacher 7.50% of his salary for service or disability retirement pension and 0.5% of salary for the annual increase in base pension.

In addition, there shall be deducted from the salary of each teacher 1% of his salary for survivors' and children's pensions.

(a-5) Beginning on July 1, 2018 or the effective date of the Tier 1 employee's election under paragraph (1) of Section 17-115.5, whichever is later, in lieu of the contributions otherwise required under subsection (a), each Tier 1 employee who made the election under paragraph (1) of Section 17-115.5 shall make contributions of 7.50% of salary for service or disability retirement pension and 0.6% of salary for survivors' and children's pensions.

(b) An Employer and any employer of eligible contributors as defined in Section 17-106 is authorized to make the necessary deductions from the salaries of its teachers. Such amounts shall be included as a part of the Fund. An Employer and any employer of eligible contributors as defined in Section 17-106 shall formulate such rules and regulations as may be necessary to give effect to the provisions of this Section.

(c) All persons employed as teachers shall, by such employment, accept the provisions of this Article and of Sections 34-83 to 34-85, inclusive, of "The School Code", approved March 18, 1961, as amended, and thereupon become contributors to the Fund in accordance with the terms thereof. The provisions of this Article and of those Sections shall become a part of the contract of employment.

(d) A person who (i) was a member before July 1, 1998, (ii) retires with more than 34 years of creditable service, and (iii) does not elect to qualify for the augmented rate under Section 17-119.1 shall be entitled, at the time of retirement, to receive a partial refund of contributions made under this Section for service occurring after the later of June 30, 1998 or attainment of 34 years of creditable service, in an amount equal to 1.00% of the salary upon which those contributions were based.

(Source: P.A. 97-8, eff. 6-13-11.)

(40 ILCS 5/18-131) (from Ch. 108 1/2, par. 18-131)

Sec. 18-131. Financing; employer contributions.

(a) The State of Illinois shall make contributions to this System by appropriations of the amounts which, together with the contributions of participants, net earnings on investments, and other income, will meet the costs of maintaining and administering this System on a 90% funded basis in accordance with actuarial recommendations.

(b) The Board shall determine the amount of State contributions required for each fiscal year on the basis of the actuarial tables and other assumptions adopted by the Board and the prescribed rate of interest, using the formula in subsection (c).

(c) For State fiscal years 2018 through 2045, the minimum contribution to the System to be made by the State for each fiscal year shall be an amount determined by the System to be sufficient to bring the total assets of the System up to 90% of the total actuarial liabilities of the System by the end of State fiscal year 2045. In making these determinations, the required State contribution shall be calculated each year as a level percentage of total payroll, including payroll that is not deemed pensionable, over the years remaining to and including fiscal year 2045 and shall be determined under the projected unit credit actuarial cost method.

Beginning in State fiscal year 2018, any increase or decrease in State contribution over the prior fiscal year due exclusively to changes in actuarial or investment assumptions adopted by the Board shall be included in the State contribution to the System, as a percentage of the applicable employee payroll, and shall be increased in equal annual increments so that by the State fiscal year occurring 5 years after the

adoption of the actuarial or investment assumptions, the State is contributing at the rate otherwise required under this Section.

If Section 2-110.3, 15-132.9, 16-122.9, or 17-115.5 is determined to be unconstitutional or otherwise invalid by a final unappealable decision of an Illinois court or a court of competent jurisdiction, then the changes made to this Section by this amendatory Act of the 100th General Assembly shall not take effect and are repealed by operation of law.

For State fiscal years 2012 through 2017 2045, the minimum contribution to the System to be made by the State for each fiscal year shall be an amount determined by the System to be sufficient to bring the total assets of the System up to 90% of the total actuarial liabilities of the System by the end of State fiscal year 2045. In making these determinations, the required State contribution shall be calculated each year as a level percentage of payroll over the years remaining to and including fiscal year 2045 and shall be determined under the projected unit credit actuarial cost method.

For State fiscal years 1996 through 2005, the State contribution to the System, as a percentage of the applicable employee payroll, shall be increased in equal annual increments so that by State fiscal year 2011, the State is contributing at the rate required under this Section.

Notwithstanding any other provision of this Article, the total required State contribution for State fiscal year 2006 is \$29,189,400.

Notwithstanding any other provision of this Article, the total required State contribution for State fiscal year 2007 is \$35,236,800.

For each of State fiscal years 2008 through 2009, the State contribution to the System, as a percentage of the applicable employee payroll, shall be increased in equal annual increments from the required State contribution for State fiscal year 2007, so that by State fiscal year 2011, the State is contributing at the rate otherwise required under this Section.

Notwithstanding any other provision of this Article, the total required State contribution for State fiscal year 2010 is \$78,832,000 and shall be made from the proceeds of bonds sold in fiscal year 2010 pursuant to Section 7.2 of the General Obligation Bond Act, less (i) the pro rata share of bond sale expenses determined by the System's share of total bond proceeds, (ii) any amounts received from the General Revenue Fund in fiscal year 2010, and (iii) any reduction in bond proceeds due to the issuance of discounted bonds, if applicable.

Notwithstanding any other provision of this Article, the total required State contribution for State fiscal year 2011 is the amount recertified by the System on or before April 1, 2011 pursuant to Section 18-140 and shall be made from the proceeds of bonds sold in fiscal year 2011 pursuant to Section 7.2 of the General Obligation Bond Act, less (i) the pro rata share of bond sale expenses determined by the System's share of total bond proceeds, (ii) any amounts received from the General Revenue Fund in fiscal year 2011, and (iii) any reduction in bond proceeds due to the issuance of discounted bonds, if applicable.

Beginning in State fiscal year 2046, the minimum State contribution for each fiscal year shall be the amount needed to maintain the total assets of the System at 90% of the total actuarial liabilities of the System.

Amounts received by the System pursuant to Section 25 of the Budget Stabilization Act or Section 8.12 of the State Finance Act in any fiscal year do not reduce and do not constitute payment of any portion of the minimum State contribution required under this Article in that fiscal year. Such amounts shall not reduce, and shall not be included in the calculation of, the required State contributions under this Article in any future year until the System has reached a funding ratio of at least 90%. A reference in this Article to the "required State contribution" or any substantially similar term does not include or apply to any amounts payable to the System under Section 25 of the Budget Stabilization Act.

Notwithstanding any other provision of this Section, the required State contribution for State fiscal year 2005 and for fiscal year 2008 and each fiscal year thereafter, as calculated under this Section and certified under Section 18-140, shall not exceed an amount equal to (i) the amount of the required State contribution that would have been calculated under this Section for that fiscal year if the System had not received any payments under subsection (d) of Section 7.2 of the General Obligation Bond Act, minus (ii) the portion of the State's total debt service payments for that fiscal year on the bonds issued in fiscal year 2003 for the purposes of that Section 7.2, as determined and certified by the Comptroller, that is the same as the System's portion of the total moneys distributed under subsection (d) of Section 7.2 of the General Obligation Bond Act. In determining this maximum for State fiscal years 2008 through 2010, however, the amount referred to in item (i) shall be increased, as a percentage of the applicable employee payroll, in equal increments calculated from the sum of the required State contribution for State fiscal year 2007 plus the applicable portion of the State's total debt service payments for fiscal year 2007 on the bonds issued in fiscal year 2003 for the purposes of Section 7.2 of the General Obligation Bond Act, so that, by State fiscal year 2011, the State is contributing at the rate otherwise required under this Section.

(d) For purposes of determining the required State contribution to the System, the value of the System's assets shall be equal to the actuarial value of the System's assets, which shall be calculated as follows:

As of June 30, 2008, the actuarial value of the System's assets shall be equal to the market value of the assets as of that date. In determining the actuarial value of the System's assets for fiscal years after June 30, 2008, any actuarial gains or losses from investment return incurred in a fiscal year shall be recognized in equal annual amounts over the 5-year period following that fiscal year.

(e) For purposes of determining the required State contribution to the system for a particular year, the actuarial value of assets shall be assumed to earn a rate of return equal to the system's actuarially assumed rate of return.

(Source: P.A. 96-43, eff. 7-15-09; 96-1497, eff. 1-14-11; 96-1511, eff. 1-27-11; 96-1554, eff. 3-18-11; 97-813, eff. 7-13-12.)

(40 ILCS 5/18-140) (from Ch. 108 1/2, par. 18-140)

Sec. 18-140. To certify required State contributions and submit vouchers.

(a) The Board shall certify to the Governor, on or before November 15 of each year until November 15, 2011, the amount of the required State contribution to the System for the following fiscal year and shall specifically identify the System's projected State normal cost for that fiscal year. The certification shall include a copy of the actuarial recommendations upon which it is based and shall specifically identify the System's projected State normal cost for that fiscal year.

On or before November 1 of each year, beginning November 1, 2012, the Board shall submit to the State Actuary, the Governor, and the General Assembly a proposed certification of the amount of the required State contribution to the System for the next fiscal year, along with all of the actuarial assumptions, calculations, and data upon which that proposed certification is based. On or before January 1 of each year beginning January 1, 2013, the State Actuary shall issue a preliminary report concerning the proposed certification and identifying, if necessary, recommended changes in actuarial assumptions that the Board must consider before finalizing its certification of the required State contributions. On or before January 15, 2013 and every January 15 thereafter, the Board shall certify to the Governor and the General Assembly the amount of the required State contribution for the next fiscal year. The Board's certification must note any deviations from the State Actuary's recommended changes, the reason or reasons for not following the State Actuary's recommended changes, and the fiscal impact of not following the State Actuary's recommended changes on the required State contribution.

On or before May 1, 2004, the Board shall recalculate and recertify to the Governor the amount of the required State contribution to the System for State fiscal year 2005, taking into account the amounts appropriated to and received by the System under subsection (d) of Section 7.2 of the General Obligation Bond Act.

On or before July 1, 2005, the Board shall recalculate and recertify to the Governor the amount of the required State contribution to the System for State fiscal year 2006, taking into account the changes in required State contributions made by this amendatory Act of the 94th General Assembly.

On or before April 1, 2011, the Board shall recalculate and recertify to the Governor the amount of the required State contribution to the System for State fiscal year 2011, applying the changes made by Public Act 96-889 to the System's assets and liabilities as of June 30, 2009 as though Public Act 96-889 was approved on that date.

As soon as practical after the effective date of this amendatory Act of the 100th General Assembly, the Board shall recalculate and recertify to the State Actuary, the Governor, and the General Assembly the amount of the State contribution to the System for State fiscal year 2018, taking into account the changes in required State contributions made by this amendatory Act of the 100th General Assembly. The State Actuary shall review the assumptions and valuations underlying the Board's revised certification and issue a preliminary report concerning the proposed recertification and identifying, if necessary, recommended changes in actuarial assumptions that the Board must consider before finalizing its certification of the required State contributions. The Board's final certification must note any deviations from the State Actuary's recommended changes, the reason or reasons for not following the State Actuary's recommended changes, and the fiscal impact of not following the State Actuary's recommended changes on the required State contribution.

(b) Beginning in State fiscal year 1996, on or as soon as possible after the 15th day of each month the Board shall submit vouchers for payment of State contributions to the System, in a total monthly amount of one-twelfth of the required annual State contribution certified under subsection (a). From the effective date of this amendatory Act of the 93rd General Assembly through June 30, 2004, the Board shall not submit vouchers for the remainder of fiscal year 2004 in excess of the fiscal year 2004 certified contribution amount determined under this Section after taking into consideration the transfer to the System under subsection (c) of Section 6z-61 of the State Finance Act. These vouchers shall be paid by

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the State Comptroller and Treasurer by warrants drawn on the funds appropriated to the System for that fiscal year.

If in any month the amount remaining unexpended from all other appropriations to the System for the applicable fiscal year (including the appropriations to the System under Section 8.12 of the State Finance Act and Section 1 of the State Pension Funds Continuing Appropriation Act) is less than the amount lawfully vouchered under this Section, the difference shall be paid from the General Revenue Fund under the continuing appropriation authority provided in Section 1.1 of the State Pension Funds Continuing Appropriation Act.

(Source: P.A. 96-1497, eff. 1-14-11; 96-1511, eff. 1-27-11; 97-694, eff. 6-18-12.)

(40 ILCS 5/20-121) (from Ch. 108 1/2, par. 20-121)

(Text of Section WITHOUT the changes made by P.A. 98-599, which has been held unconstitutional) Sec. 20-121. Calculation of proportional retirement annuities.

(a) Upon retirement of the employee, a proportional retirement annuity shall be computed by each participating system in which pension credit has been established on the basis of pension credits under each system. The computation shall be in accordance with the formula or method prescribed by each participating system which is in effect at the date of the employee's latest withdrawal from service covered by any of the systems in which he has pension credits which he elects to have considered under this Article. However, the amount of any retirement annuity payable under the self-managed plan established under Section 15-158.2 of this Code or under the defined contribution plan established under Article 2, 14, 15, or 16 of this Code depends solely on the value of the participant's vested account balances and is not subject to any proportional adjustment under this Section.

(a-5) For persons who participate in a defined contribution plan established under Article 2, 14, 15, or 16 of this Code to whom the provisions of this Article apply, the pension credits established under the defined contribution plan may be considered in determining eligibility for or the amount of the defined benefit retirement annuity that is payable by any other participating system.

(b) Combined pension credit under all retirement systems subject to this Article shall be considered in determining whether the minimum qualification has been met and the formula or method of computation which shall be applied, except as may be otherwise provided with respect to vesting in State or employer contributions in a defined contribution plan. If a system has a step-rate formula for calculation of the retirement annuity, pension credits covering previous service which have been established under another system shall be considered in determining which range or ranges of the step-rate formula are to be applicable to the employee.

(c) Interest on pension credit shall continue to accumulate in accordance with the provisions of the law governing the retirement system in which the same has been established during the time an employee is in the service of another employer, on the assumption such employee, for interest purposes for pension credit, is continuing in the service covered by such retirement system.

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

(40 ILCS 5/20-123) (from Ch. 108 1/2, par. 20-123)

(Text of Section WITHOUT the changes made by P.A. 98-599, which has been held unconstitutional)

Sec. 20-123. Survivor's annuity. The provisions governing a retirement annuity shall be applicable to a survivor's annuity. Appropriate credits shall be established for survivor's annuity purposes in those participating systems which provide survivor's annuities, according to the same conditions and subject to the same limitations and restrictions herein prescribed for a retirement annuity. If a participating system has no survivor's annuity benefit, or if the survivor's annuity benefit under that system is waived, pension credit established in that system shall not be considered in determining eligibility for or the amount of the survivor's annuity which may be payable by any other participating system.

For persons who participate in the self-managed plan established under Section 15-158.2 or the portable benefit package established under Section 15-136.4, pension credit established under Article 15 may be considered in determining eligibility for or the amount of the survivor's annuity that is payable by any other participating system, but pension credit established in any other system shall not result in any right to a survivor's annuity under the Article 15 system.

For persons who participate in a defined contribution plan established under Article 2, 14, 15, or 16 of this Code to whom the provisions of this Article apply, the pension credits established under the defined contribution plan may be considered in determining eligibility for or the amount of the defined benefit survivor's annuity that is payable by any other participating system, but pension credits established in any other system shall not result in any right to or increase in the value of a survivor's annuity under the defined contribution plan, which depends solely on the options chosen and the value of the participant's vested account balances and is not subject to any proportional adjustment under this Section.

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

(40 ILCS 5/20-124) (from Ch. 108 1/2, par. 20-124)

(Text of Section WITHOUT the changes made by P.A. 98-599, which has been held unconstitutional) Sec. 20-124. Maximum benefits.

(a) In no event shall the combined retirement or survivors annuities exceed the highest annuity which would have been payable by any participating system in which the employee has pension credits, if all of his pension credits had been validated in that system.

If the combined annuities should exceed the highest maximum as determined in accordance with this Section, the respective annuities shall be reduced proportionately according to the ratio which the amount of each proportional annuity bears to the aggregate of all such annuities.

(b) In the case of a participant in the self-managed plan established under Section 15-158.2 of this Code to whom the provisions of this Article apply:

(i) For purposes of calculating the combined retirement annuity and the proportionate reduction, if any, in a retirement annuity other than one payable under the self-managed plan, the amount of the Article 15 retirement annuity shall be deemed to be the highest annuity to which the annuitant would have been entitled if he or she had participated in the traditional benefit package as defined in Section 15-103.1 rather than the self-managed plan.

(ii) For purposes of calculating the combined survivor's annuity and the proportionate reduction, if any, in a survivor's annuity other than one payable under the self-managed plan, the amount of the Article 15 survivor's annuity shall be deemed to be the highest survivor's annuity to which the survivor would have been entitled if the deceased employee had participated in the traditional benefit package as defined in Section 15-103.1 rather than the self-managed plan.

(iii) Benefits payable under the self-managed plan are not subject to proportionate reduction under this Section.

(c) In the case of a participant in a defined contribution plan established under Article 2, 14, 15, or 16 of this Code to whom the provisions of this Article apply:

(i) For purposes of calculating the combined retirement annuity and the proportionate reduction, if any, in a defined benefit retirement annuity, any benefit payable under the defined contribution plan shall not be considered.

(ii) For purposes of calculating the combined survivor's annuity and the proportionate reduction, if any, in a defined benefit survivor's annuity, any benefit payable under the defined contribution plan shall not be considered.

(iii) Benefits payable under a defined contribution plan established under Article 2, 14, 15, or 16 of this Code are not subject to proportionate reduction under this Section.

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

(40 ILCS 5/20-125) (from Ch. 108 1/2, par. 20-125)

(Text of Section WITHOUT the changes made by P.A. 98-599, which has been held unconstitutional)

Sec. 20-125. Return to employment - suspension of benefits. If a retired employee returns to employment which is covered by a system from which he is receiving a proportional annuity under this Article, his proportional annuity from all participating systems shall be suspended during the period of re-employment, except that this suspension does not apply to any distributions payable under the self-managed plan established under Section 15-158.2 or under a defined contribution plan established under Article 2, 14, 15, or 16 of this Code.

The provisions of the Article under which such employment would be covered shall govern the determination of whether the employee has returned to employment, and if applicable the exemption of temporary employment or employment not exceeding a specified duration or frequency, for all participating systems from which the retired employee is receiving a proportional annuity under this Article, notwithstanding any contrary provisions in the other Articles governing such systems.

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

(40 ILCS 5/2-165 rep.) (40 ILCS 5/2-166 rep.) (40 ILCS 5/14-155 rep.) (40 ILCS 5/14-156 rep.) (40 ILCS 5/15-200 rep.) (40 ILCS 5/15-201 rep.) (40 ILCS 5/16-205 rep.) (40 ILCS 5/16-206 rep.)

Section 50. The Illinois Pension Code is amended by repealing Sections 2-165, 2-166, 14-155, 14-156, 15-200, 15-201, 16-205, and 16-206.

Section 55. The State Pension Funds Continuing Appropriation Act is amended by adding Section 1.9 as follows:

(40 ILCS 15/1.9 new)

Sec. 1.9. Appropriation for consideration payment. There is hereby appropriated from the General Revenue Fund to the State Comptroller, on a continuing basis, all amounts necessary for the payment of

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consideration payments under subsection (b) of Sections 2-110.3, 14-106.5, 15-132.9, 16-122.9, and 17-115.5 of the Illinois Pension Code, in the amounts certified to the State Comptroller by the respective retirement system or pension fund.

Section 60. The School Code is amended by changing Sections 24-1, 24-8, and 34-18.53 as follows:  
(105 ILCS 5/24-1) (from Ch. 122, par. 24-1)

Sec. 24-1. Appointment-Salaries-Payment-School month-School term.) School boards shall appoint all teachers, determine qualifications of employment and fix the amount of their salaries subject to any limitation set forth in this Act and subject to any applicable restrictions in Section 16-122.9 of the Illinois Pension Code. They shall pay the wages of teachers monthly, subject, however, to the provisions of Section 24-21. The school month shall be the same as the calendar month but by resolution the school board may adopt for its use a month of 20 days, including holidays. The school term shall consist of at least the minimum number of pupil attendance days required by Section 10-19, any additional legal school holidays, days of teachers' institutes, or equivalent professional educational experiences, and one or two days at the beginning of the school term when used as a teachers' workshop.

(Source: P.A. 80-249.)

(105 ILCS 5/24-8) (from Ch. 122, par. 24-8)

Sec. 24-8. Minimum salary. In fixing the salaries of teachers, school boards shall pay those who serve on a full-time basis not less than a rate for the school year that is based upon training completed in a recognized institution of higher learning, as follows: for the school year beginning July 1, 1980 and thereafter, less than a bachelor's degree, \$9,000; 120 semester hours or more and a bachelor's degree, \$10,000; 150 semester hours or more and a master's degree, \$11,000.

Based upon previous public school experience in this State or any other State, territory, dependency or possession of the United States, or in schools operated by or under the auspices of the United States, teachers who serve on a full-time basis shall have their salaries increased to at least the following amounts above the starting salary for a teacher in such district in the same classification: with less than a bachelor's degree, \$750 after 5 years; with 120 semester hours or more and a bachelor's degree, \$1,000 after 5 years and \$1,600 after 8 years; with 150 semester hours or more and a master's degree, \$1,250 after 5 years, \$2,000 after 8 years and \$2,750 after 13 years. However, any salary increase is subject to any applicable restrictions in Section 16-122.9 of the Illinois Pension Code.

For the purpose of this Section a teacher's salary shall include any amount paid by the school district on behalf of the teacher, as teacher contributions, to the Teachers' Retirement System of the State of Illinois.

If a school board establishes a schedule for teachers' salaries based on education and experience, not inconsistent with this Section, all certificated nurses employed by that board shall be paid in accordance with the provisions of such schedule (subject to any applicable restrictions in Section 16-122.9 of the Illinois Pension Code).

For purposes of this Section, a teacher who submits a certificate of completion to the school office prior to the first day of the school term shall be considered to have the degree stated in such certificate.

(Source: P.A. 83-913.)

(105 ILCS 5/34-18.53 new)

Sec. 34-18.53. Future increase in income. The Board of Education must not pay, offer, or agree to pay any future increase in income, as that term is defined in Section 17-113.5 of the Illinois Pension Code, to any person in a manner that violates Section 17-115.5 of the Illinois Pension Code.

Section 65. The State Universities Civil Service Act is amended by changing Section 36d as follows:  
(110 ILCS 70/36d) (from Ch. 24 1/2, par. 38b3)

Sec. 36d. Powers and duties of the Merit Board. The Merit Board shall have the power and duty-

(1) To approve a classification plan prepared under its direction, assigning to each class positions of substantially similar duties. The Merit Board shall have power to delegate to its Director the duty of assigning each position in the classified service to the appropriate class in the classification plan approved by the Merit Board.

(2) To prescribe the duties of each class of positions and the qualifications required by employment in that class.

(3) To prescribe the range of compensation for each class or to fix a single rate of compensation for employees in a particular class; and to establish other conditions of employment which an employer and employee representatives have agreed upon as fair and equitable. The Merit Board shall direct the payment of the "prevailing rate of wages" in those classifications in which, on January 1, 1952, any employer is paying such prevailing rate and in such other classes as the Merit Board may thereafter determine. "Prevailing rate of wages" as used herein shall be the wages paid generally in the

locality in which the work is being performed to employees engaged in work of a similar character. Subject to any applicable restrictions in Section 14-106.5, 15-132.9, or 16-122.9 of the Illinois Pension Code, each ~~Each~~ employer covered by the University System shall be authorized to negotiate with representatives of employees to determine appropriate ranges or rates of compensation or other conditions of employment and may recommend to the Merit Board for establishment the rates or ranges or other conditions of employment which the employer and employee representatives have agreed upon as fair and equitable, but excluding the changes, the impact of changes, and the implementation of the changes set forth in this amendatory Act of the 100th General Assembly. Any rates or ranges established prior to January 1, 1952, and hereafter, shall not be changed except in accordance with the procedures herein provided.

(4) To recommend to the institutions and agencies specified in Section 36e standards for hours of work, holidays, sick leave, overtime compensation and vacation for the purpose of improving conditions of employment covered therein and for the purpose of insuring conformity with the prevailing rate principal.

(5) To prescribe standards of examination for each class, the examinations to be related to the duties of such class. The Merit Board shall have power to delegate to the Director and his staff the preparation, conduct and grading of examinations. Examinations may be written, oral, by statement of training and experience, in the form of tests of knowledge, skill, capacity, intellect, aptitude; or, by any other method, which in the judgment of the Merit Board is reasonable and practical for any particular classification. Different examining procedures may be determined for the examinations in different classifications but all examinations in the same classification shall be uniform.

(6) To authorize the continuous recruitment of personnel and to that end, to delegate to the Director and his staff the power and the duty to conduct open and continuous competitive examinations for all classifications of employment.

(7) To cause to be established from the results of examinations registers for each class of positions in the classified service of the State Universities Civil Service System, of the persons who shall attain the minimum mark fixed by the Merit Board for the examination; and such persons shall take rank upon the registers as candidates in the order of their relative excellence as determined by examination, without reference to priority of time of examination.

(8) To provide by its rules for promotions in the classified service. Vacancies shall be filled by promotion whenever practicable. For the purpose of this paragraph, an advancement in class shall constitute a promotion.

(9) To set a probationary period of employment of no less than 6 months and no longer than 12 months for each class of positions in the classification plan, the length of the probationary period for each class to be determined by the Director.

(10) To provide by its rules for employment at regular rates of compensation of persons with physical disabilities in positions in which the disability does not prevent the individual from furnishing satisfactory service.

(11) To make and publish rules, to carry out the purpose of the State Universities Civil Service System and for examination, appointments, transfers and removals and for maintaining and keeping records of the efficiency of officers and employees and groups of officers and employees in accordance with the provisions of Sections 36b to 36q, inclusive, and said Merit Board may from time to time make changes in such rules.

(12) To appoint a Director and such assistants and other clerical and technical help as may be necessary efficiently to administer Sections 36b to 36q, inclusive. To authorize the Director to appoint an assistant resident at the place of employment of each employer specified in Section 36e and this assistant may be authorized to give examinations and to certify names from the regional registers provided in Section 36k.

(13) To submit to the Governor of this state on or before November 1 of each year prior to the regular session of the General Assembly a report of the University System's business and an estimate of the amount of appropriation from state funds required for the purpose of administering the University System.

(Source: P.A. 99-143, eff. 7-27-15.)

Section 70. The University of Illinois Act is amended by adding Section 100 as follows:  
(110 ILCS 305/100 new)

Sec. 100. Future increases in income. The University of Illinois must not pay, offer, or agree to pay any future increase in income, as that term is defined in Section 14-103.42, 15-112.1, or 16-121.1 of the Illinois



Pension Code, to any person in a manner that violates Section 14-106.5, 15-132.9, or 16-122.9 of the Illinois Pension Code.

Section 75. The Southern Illinois University Management Act is amended by adding Section 85 as follows:

(110 ILCS 520/85 new)

Sec. 85. Future increases in income. Southern Illinois University must not pay, offer, or agree to pay any future increase in income, as that term is defined in Section 14-103.42, 15-112.1, or 16-121.1 of the Illinois Pension Code, to any person in a manner that violates Section 14-106.5, 15-132.9, or 16-122.9 of the Illinois Pension Code.

Section 80. The Chicago State University Law is amended by adding Section 5-195 as follows:

(110 ILCS 660/5-195 new)

Sec. 5-195. Future increases in income. Chicago State University must not pay, offer, or agree to pay any future increase in income, as that term is defined in Section 14-103.42, 15-112.1, or 16-121.1 of the Illinois Pension Code, to any person in a manner that violates Section 14-106.5, 15-132.9, or 16-122.9 of the Illinois Pension Code.

Section 90. The Eastern Illinois University Law is amended by adding Section 10-195 as follows:

(110 ILCS 665/10-195 new)

Sec. 10-195. Future increases in income. Eastern Illinois University must not pay, offer, or agree to pay any future increase in income, as that term is defined in Section 14-103.42, 15-112.1, or 16-121.1 of the Illinois Pension Code, to any person in a manner that violates Section 14-106.5, 15-132.9, or 16-122.9 of the Illinois Pension Code.

Section 95. The Governors State University Law is amended by adding Section 15-195 as follows:

(110 ILCS 670/15-195 new)

Sec. 15-195. Future increases in income. Governors State University must not pay, offer, or agree to pay any future increase in income, as that term is defined in Section 14-103.42, 15-112.1, or 16-121.1 of the Illinois Pension Code, to any person in a manner that violates Section 14-106.5, 15-132.9, or 16-122.9 of the Illinois Pension Code.

Section 100. The Illinois State University Law is amended by adding Section 20-200 as follows:

(110 ILCS 675/20-200 new)

Sec. 20-200. Future increases in income. Illinois State University must not pay, offer, or agree to pay any future increase in income, as that term is defined in Section 14-103.42, 15-112.1, or 16-121.1 of the Illinois Pension Code, to any person in a manner that violates Section 14-106.5, 15-132.9, or 16-122.9 of the Illinois Pension Code.

Section 105. The Northeastern Illinois University Law is amended by adding Section 25-195 as follows:

(110 ILCS 680/25-195 new)

Sec. 25-195. Future increases in income. Northeastern Illinois University must not pay, offer, or agree to pay any future increase in income, as that term is defined in Section 14-103.42, 15-112.1, or 16-121.1 of the Illinois Pension Code, to any person in a manner that violates Section 14-106.5, 15-132.9, or 16-122.9 of the Illinois Pension Code.

Section 110. The Northern Illinois University Law is amended by adding Section 30-205 as follows:

(110 ILCS 685/30-205 new)

Sec. 30-205. Future increases in income. Northern Illinois University must not pay, offer, or agree to pay any future increase in income, as that term is defined in Section 14-103.42, 15-112.1, or 16-121.1 of the Illinois Pension Code, to any person in a manner that violates Section 14-106.5, 15-132.9, or 16-122.9 of the Illinois Pension Code.

Section 115. The Western Illinois University Law is amended by adding Section 35-200 as follows:

(110 ILCS 690/35-200 new)

Sec. 35-200. Future increases in income. Western Illinois University must not pay, offer, or agree to pay any future increase in income, as that term is defined in Section 14-103.42, 15-112.1, or 16-121.1 of the Illinois Pension Code, to any person in a manner that violates Section 14-106.5, 15-132.9, or 16-122.9 of the Illinois Pension Code.

Section 120. The Public Community College Act is amended by changing Sections 3-26 and 3-42 as follows:

(110 ILCS 805/3-26) (from Ch. 122, par. 103-26)

Sec. 3-26. (a) To make appointments and fix the salaries of a chief administrative officer, who shall be the executive officer of the board, other administrative personnel, and all teachers, but subject to any applicable restrictions in Section 14-106.5, 15-132.9, or 16-122.9 of the Illinois Pension Code. In making these appointments and fixing the salaries, the board may make no discrimination on account of sex, race, creed, color or national origin.

(b) Upon the written request of an employee, to withhold from the compensation of that employee the membership dues of such employee payable to any specified labor organization as defined in the Illinois Educational Labor Relations Act. Under such arrangement, an amount shall be withheld for each regular payroll period which is equal to the prorata share of the annual membership dues plus any payments or contributions and the board shall pay such withholding to the specified labor organization within 10 working days from the time of the withholding.

(Source: P.A. 83-1014.)

(110 ILCS 805/3-42) (from Ch. 122, par. 103-42)

Sec. 3-42. To employ such personnel as may be needed, to establish policies governing their employment and dismissal, and to fix the amount of their compensation, subject to any applicable restrictions in Section 14-106.5, 15-132.9, or 16-122.9 of the Illinois Pension Code. In the employment, establishment of policies and fixing of compensation the board may make no discrimination on account of sex, race, creed, color or national origin.

Residence within any community college district or outside any community college district shall not be considered:

(a) in determining whether to retain or not retain any employee of a community college employed prior to July 1, 1977 or prior to the adoption by the community college board of a resolution making residency within the community college district of some or all employees a condition of employment, whichever is later;

(b) in assigning, promoting or transferring any employee of a community college to an office or position employed prior to July 1, 1977 or prior to the adoption by the community college board of a resolution making residency within the community college district of some or all employees a condition of employment, whichever is later; or

(c) in determining the salary or other compensation of any employee of a community college.

(Source: P.A. 80-248.)

Section 125. The Illinois Educational Labor Relations Act is amended by changing Sections 4, 14, and 17 and by adding Section 10.6 as follows:

(115 ILCS 5/4) (from Ch. 48, par. 1704)

Sec. 4. Employer rights. Employers shall not be required to bargain over matters of inherent managerial policy, which shall include such areas of discretion or policy as the functions of the employer, standards of services, its overall budget, the organizational structure and selection of new employees and direction of employees. Employers, however, shall be required to bargain collectively with regard to policy matters directly affecting wages (but subject to any applicable restrictions in Section 14-106.5, 15-132.9, 16-122.9, or 17-115.5 of the Illinois Pension Code), hours and terms and conditions of employment as well as the impact thereon upon request by employee representatives, but excluding the changes, the impact of changes, and the implementation of the changes set forth in Section 14-106.5, 15-132.9, 16-122.9, or 17-115.5 of the Illinois Pension Code. To preserve the rights of employers and exclusive representatives which have established collective bargaining relationships or negotiated collective bargaining agreements prior to the effective date of this Act, employers shall be required to bargain collectively with regard to any matter concerning wages (but subject to any applicable restrictions in Section 14-106.5, 15-132.9, 16-122.9, or 17-115.5 of the Illinois Pension Code), hours or conditions of employment about which they have bargained for and agreed to in a collective bargaining agreement prior to the effective date of this Act, but excluding the changes, the impact of changes, and the implementation of the changes set forth in Section 14-106.5, 15-132.9, 16-122.9, or 17-115.5 of the Illinois Pension Code.

(Source: P.A. 83-1014.)

(115 ILCS 5/10.6 new)

Sec. 10.6. No collective bargaining or interest arbitration regarding certain changes to the Illinois Pension Code.

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(a) Notwithstanding any other provision of this Act, employers shall not be required to bargain over matters affected by the changes, the impact of the changes, and the implementation of the changes to Article 14, 15, 16, or 17 of the Illinois Pension Code made by the addition of Section 14-106.5, 15-132.9, 16-122.9, or 17-115.5 of the Illinois Pension Code, which are deemed to be prohibited subjects of bargaining. Notwithstanding any provision of this Act, the changes, impact of the changes, or implementation of the changes to Article 14, 15, 16, or 17 of the Illinois Pension Code made by the addition of Section 14-106.5, 15-132.9, 16-122.9, or 17-115.5 of the Illinois Pension Code shall not be subject to interest arbitration or any award issued pursuant to interest arbitration. The provisions of this Section shall not apply to an employment contract or collective bargaining agreement that is in effect on the effective date of this amendatory Act of the 100th General Assembly. However, any such contract or agreement that is modified, amended, renewed, or superseded after the effective date of this amendatory Act of the 100th General Assembly shall be subject to the provisions of this Section. The provisions of this Section shall not apply to the ability of any employer and employee representative to bargain collectively with regard to the pick up of employee contributions pursuant to Section 14-133.1, 15-157.1, 16-152.1, 17-130.1, or 17-130.2 of the Illinois Pension Code.

(b) Nothing in this Section shall be construed as otherwise limiting any of the obligations and requirements applicable to employers under any of the provisions of this Act, including, but not limited to, the requirement to bargain collectively with regard to policy matters directly affecting wages, hours, and terms and conditions of employment as well as the impact thereon upon request by employee representatives, except for the matters set forth in subsection (a) of this Section that are deemed prohibited subjects of bargaining. Nothing in this Section shall be construed as otherwise limiting any of the rights of employees or employee representatives under the provisions of this Act, except for the matters set forth in subsection (a) of this Section that are deemed prohibited subjects of bargaining.

(c) In case of any conflict between this Section and any other provisions of this Act or any other law, the provisions of this Section shall control.

(115 ILCS 5/14) (from Ch. 48, par. 1714)  
Sec. 14. Unfair labor practices.

(a) Educational employers, their agents or representatives are prohibited from:

(1) Interfering, restraining or coercing employees in the exercise of the rights guaranteed under this Act.

(2) Dominating or interfering with the formation, existence or administration of any employee organization.

(3) Discriminating in regard to hire or tenure of employment or any term or condition of employment to encourage or discourage membership in any employee organization.

(4) Discharging or otherwise discriminating against an employee because he or she has signed or filed an affidavit, authorization card, petition or complaint or given any information or testimony under this Act.

(5) Subject to and except as provided in Section 10.6, refusing Refusing to bargain collectively in good faith with an employee representative which is the exclusive representative of employees in an appropriate unit, including but not limited to the discussing of grievances with the exclusive representative; provided, however, that if an alleged unfair labor practice involves interpretation or application of the terms of a collective bargaining agreement and said agreement contains a grievance and arbitration procedure, the Board may defer the resolution of such dispute to the grievance and arbitration procedure contained in said agreement. However, no actions of the employer taken to implement or otherwise comply with the provisions of subsection (a) of Section 10.6 shall constitute or give rise to an unfair labor practice under this Act.

(6) Refusing to reduce a collective bargaining agreement to writing and signing such agreement.

(7) Violating any of the rules and regulations promulgated by the Board regulating the conduct of representation elections.

(8) Refusing to comply with the provisions of a binding arbitration award.

(9) Expending or causing the expenditure of public funds to any external agent, individual, firm, agency, partnership or association in any attempt to influence the outcome of representational elections held pursuant to paragraph (c) of Section 7 of this Act; provided, that nothing in this subsection shall be construed to limit an employer's right to be represented on any matter pertaining to unit determinations, unfair labor practice charges or pre-election conferences in any formal or informal proceeding before the Board, or to seek or obtain advice from legal counsel. Nothing in this paragraph shall be construed to prohibit an employer from expending or causing the expenditure of public funds on, or seeking or obtaining services or advice from, any organization, group or association

established by, and including educational or public employers, whether or not covered by this Act, the Illinois Public Labor Relations Act or the public employment labor relations law of any other state or the federal government, provided that such services or advice are generally available to the membership of the organization, group, or association, and are not offered solely in an attempt to influence the outcome of a particular representational election.

(b) Employee organizations, their agents or representatives or educational employees are prohibited from:

(1) Restraining or coercing employees in the exercise of the rights guaranteed under this Act, provided that a labor organization or its agents shall commit an unfair labor practice under this paragraph in duty of fair representation cases only by intentional misconduct in representing employees under this Act.

(2) Restraining or coercing an educational employer in the selection of his representative for the purposes of collective bargaining or the adjustment of grievances.

(3) Refusing to bargain collectively in good faith with an educational employer, if they have been designated in accordance with the provisions of this Act as the exclusive representative of employees in an appropriate unit.

(4) Violating any of the rules and regulations promulgated by the Board regulating the conduct of representation elections.

(5) Refusing to reduce a collective bargaining agreement to writing and signing such agreement.

(6) Refusing to comply with the provisions of a binding arbitration award.

(c) The expressing of any views, argument, opinion or the dissemination thereof, whether in written, printed, graphic or visual form, shall not constitute or be evidence of an unfair labor practice under any of the provisions of this Act, if such expression contains no threat of reprisal or force or promise of benefit.

(d) The actions of a Financial Oversight Panel created pursuant to Section 1A-8 of the School Code due to a district violating a financial plan shall not constitute or be evidence of an unfair labor practice under any of the provisions of this Act. Such actions include, but are not limited to, reviewing, approving, or rejecting a school district budget or a collective bargaining agreement.

(Source: P.A. 89-572, eff. 7-30-96.)

(115 ILCS 5/17) (from Ch. 48, par. 1717)

Sec. 17. Effect on other laws. In case of any conflict between the provisions of this Act and any other law (other than Section 14-106.5, 15-132.9, 16-122.9, or 17-115.5 of the Illinois Pension Code), executive order or administrative regulation, the provisions of this Act shall prevail and control. The provisions of this Act are subject to any applicable restrictions in Section 14-106.5, 15-132.9, 16-122.9, or 17-115.5 of the Illinois Pension Code, as well as the changes, impact of changes, and implementation of changes set forth in Section 14-106.5, 15-132.9, 16-122.9, or 17-115.5 of the Illinois Pension Code. Nothing in this Act shall be construed to replace or diminish the rights of employees established by Section 36d of "An Act to create the State Universities Civil Service System", approved May 11, 1905, as amended or modified.

(Source: P.A. 83-1014.)

Section 900. The State Mandates Act is amended by adding Section 8.41 as follows:

(30 ILCS 805/8.41 new)

Sec. 8.41. Exempt mandate. Notwithstanding Sections 6 and 8 of this Act, no reimbursement by the State is required for the implementation of any mandate created by this amendatory Act of the 100th General Assembly.

Section 970. Severability. Except as otherwise provided in this Act, the provisions of this Act are severable under Section 1.31 of the Statute on Statutes.

Section 999. Effective date. This Act takes effect upon becoming law."

The motion prevailed.

And the amendment was adopted and ordered printed.

Senator J. Cullerton offered the following amendment and moved its adoption:

#### **AMENDMENT NO. 2 TO SENATE BILL 16**

AMENDMENT NO. 2. Amend Senate Bill 16, AS AMENDED, by replacing Section 999 with the following:

[February 28, 2017]

"Section 999. Effective date. This Act takes effect upon becoming law, but this Act does not take effect at all unless Senate Bills 1, 3, 4, 5, 6, 7, 8, 9, 10, 12, and 13 of the 100th General Assembly become law."

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendments numbered 1 and 2 were ordered engrossed, and the bill, as amended, was ordered to a third reading.

### READING BILL OF THE SENATE A THIRD TIME

On motion of Senator J. Cullerton, **Senate Bill No. 16**, having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

Pending roll call, on motion of Senator J. Cullerton, further consideration of **Senate Bill No. 16** was postponed.

### SENATE BILL RECALLED

On motion of Senator J. Cullerton, **Senate Bill No. 5** was recalled from the order of third reading to the order of second reading.

Senator J. Cullerton offered the following amendment and moved its adoption:

#### AMENDMENT NO. 1 TO SENATE BILL 5

AMENDMENT NO. 1. Amend Senate Bill 5, AS AMENDED, by replacing Section 99 with the following:

"Section 99. Effective date. This Act takes effect upon becoming law, but this Act does not take effect at all unless Senate Bills 1, 3, 4, 6, 7, 8, 9, 10, 12, 13, and 16 of the 100th General Assembly become law."

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendment No. 1 was ordered engrossed, and the bill, as amended, was ordered to a third reading.

### READING BILL OF THE SENATE A THIRD TIME

On motion of Senator J. Cullerton, **Senate Bill No. 5** having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 35; NAYS 22; Present 1.

The following voted in the affirmative:

Aquino	Haine	Lightford	Radogno
Bennett	Harmon	Link	Raoul
Bertino-Tarrant	Harris	Manar	Sandoval
Biss	Holmes	Martinez	Silverstein
Bush	Hunter	McGuire	Steans
Castro	Hutchinson	Morrison	Trotter
Clayborne	Jones, E.	Mulroe	Van Pelt
Collins	Koehler	Muñoz	Mr. President
Cunningham	Landek	Murphy	

The following voted in the negative:

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Althoff	Cullerton, T.	Nybo	Schimpf
Anderson	Fowler	Oberweis	Syverson
Barickman	McCann	Rezin	Tracy
Bivins	McCarter	Righter	Weaver
Brady	McConchie	Rooney	
Connelly	McConnaughay	Rose	

The following voted present:

Hastings

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

### SENATE BILL RECALLED

On motion of Senator Steans, as chief co-sponsor pursuant to Senate Rule 5-1(b)(i), **Senate Bill No. 6** was recalled from the order of third reading to the order of second reading.

Floor Amendment No. 2 was held in the Committee on Assignments.

Senator J. Cullerton offered the following amendment and Senator Steans moved its adoption:

### AMENDMENT NO. 3 SENATE BILL 6

AMENDMENT NO. 3. Amend Senate Bill 6 by replacing everything after the enacting clause with the following:

#### "ARTICLE 1

Section 1. The amount of \$321,150,000, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Department of Corrections for ordinary and contingent expenses, statewide hospitalization, permanent improvements, but not including personal services.

#### ARTICLE 2

Section 1. The sum of \$75,000,000, or so much thereof as may be necessary, is appropriated to the Department of Human Services from the General Revenue Fund for operational expenses, but not including personal services.

#### ARTICLE 3

Section 1. The amount of \$13,000,000, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Department of Revenue for ordinary and contingent expenses and refunds, but not including personal services.

#### ARTICLE 4

Section 1. The amount of \$2,000,000, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Department of Agriculture for ordinary and contingent expenses, but not including personal services.

Section 5. The following named amounts, or so much thereof as may be necessary, are appropriated to the Department of Agriculture for:

#### COUNTY FAIRS AND HORSE RACING PROGRAMS

Payable from the Illinois Standardbred

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Breeders Fund:	
For Grants and Other Purposes .....	2,375,200
Payable from the Illinois Thoroughbred	
Breeders Fund:	
For Grants and Other Purposes .....	3,219,000

ARTICLE 5

Section 1. The amount of \$6,000,000, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Department of Natural Resources for ordinary and contingent expenses, but not including personal services.

ARTICLE 6

Section 1. The amount of \$2,945,000, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Department of State Police for ordinary and contingent expenses, but not including personal services.

ARTICLE 7

Section 1. The amount of \$650,000, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Historic Preservation Agency for ordinary and contingent expenses, but not including personal services.

ARTICLE 8

Section 1. The amount of \$1,000,000, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Department of Veterans' Affairs for ordinary and contingent expenses, but not including personal services.

ARTICLE 9

Section 1. The amount of \$43,000,000, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Department of Healthcare and Family Services for ordinary and contingent expenses, but not including personal services.

ARTICLE 10

Section 1. The amount of \$7,000,000, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Department of Public Health for grants and ordinary and contingent expenses, but not including personal services.

ARTICLE 11

Section 1. The amount of \$191,950,000, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Department of Central Management Services for ordinary and contingent expenses, but not including personal services.

Section 5. The following named amounts, or so much thereof as may be necessary, respectively, for the objects and purposes hereinafter named are appropriated to the Department of Central Management Services:

BUREAU OF BENEFITS  
PAYABLE FROM GENERAL REVENUE FUND

For Group Insurance .....	1,810,000,000
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ARTICLE 12

Section 1. The amount of \$3,000,000, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Department on Aging for ordinary and contingent expenses, but

not including personal services.

ARTICLE 13

Section 1. The amount of \$500,000, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Department of Commerce and Economic Opportunity for ordinary and contingent expenses, but not including personal services.

Section 5. The sum of \$458,000, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Department of Commerce and Economic Opportunity for a grant to Illinois Manufacturing Excellence Center for costs associated with a grant authorized in Article 8, Section 40 of Public Act 98-679.

ARTICLE 14

Section 1. The amount of \$4,000,000, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Illinois Arts Council for ordinary and contingent expenses, but not including personal services.

ARTICLE 15

Section 1. The amount of \$250,000, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Governor's Office of Management and Budget for ordinary and contingent expenses, but not including personal services.

Section 5. The sum of \$1,000,000, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Governor's Office of Management and Budget for deposit into the Grant Accountability and Transparency Fund.

ARTICLE 16

Section 1. The amount of \$500,000, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Department of Military Affairs for ordinary and contingent expenses, but not including personal services.

ARTICLE 17

Section 1. The amount of \$5,000,000, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Office of the Comptroller for ordinary and contingent expenses, but not including personal services.

ARTICLE 18

Section 1. The amount of \$200,000, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Department of Labor for ordinary and contingent expenses, but not including personal services.

ARTICLE 19

Section 1. The amount of \$100,000, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Illinois Labor Relations Board for ordinary and contingent expenses, but not including personal services.

ARTICLE 20

Section 1. The amount of \$200,000, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Criminal Justice Information Authority for ordinary and contingent expenses, but not including personal services.



Section 5. The sum of \$6,071,700 or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Illinois Criminal Justice Information Authority for administrative costs, awards and grants for the Adult Redeploy and Diversion programs.

Section 10. The amount of \$1,053,300, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Illinois Criminal Justice Information Authority for the Illinois Family Violence Coordinating Council Program.

Section 15. The sum of \$600,000, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Illinois Criminal Justice Information Authority for the purpose of awarding grants, contracts, administrative expenses and all related costs for the Safe From the Start Program.

#### ARTICLE 21

Section 1. The amount of \$30,000, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Deaf and Hard of Hearing Commission for ordinary and contingent expenses, but not including personal services.

#### ARTICLE 22

Section 1. The amount of \$500,000, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Office of the Governor for ordinary and contingent expenses, but not including personal services.

#### ARTICLE 23

Section 1. The amount of \$150,000, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Office of the Lieutenant Governor for ordinary and contingent expenses, but not including personal services.

#### ARTICLE 24

Section 1. The amount of \$400,000, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Prisoner Review Board for ordinary and contingent expenses, but not including personal services.

#### ARTICLE 25

Section 1. The amount of \$1,000,000, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Illinois State Board of Education for ordinary and contingent expenses, but not including personal services.

#### ARTICLE 26

Section 1. The amount of \$639,000, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Illinois Community College Board for ordinary and contingent expenses, but not including personal services.

#### ARTICLE 27

Section 1. The amount of \$150,000, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Executive Ethics Commission for ordinary and contingent expenses, but not including personal services.

#### ARTICLE 28

Section 1. The amount of \$2,200,000, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Office of the Executive Inspector General for ordinary and

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contingent expenses, but not including personal services.

ARTICLE 29

Section 1. The amount of \$500,000, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Department of Human Rights for ordinary and contingent expenses, but not including personal services.

ARTICLE 30

Section 1. The amount of \$150,000, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Human Rights Commission for ordinary and contingent expenses, but not including personal services.

ARTICLE 31

Section 1. The amount of \$25,000, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Civil Service Commission for ordinary and contingent expenses, but not including personal services.

ARTICLE 32

Section 1. The amount of \$230,000, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the State Universities Civil Service System for ordinary and contingent expenses, but not including personal services.

ARTICLE 33

Section 1. The amount of \$25,000, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Illinois Independent Tax Tribunal for ordinary and contingent expenses, but not including personal services.

ARTICLE 34

Section 1. The amount of \$300,000 or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Office of the Attorney General for ordinary and contingent expenses and other disbursements, but not including personal services.

Section 5. The sum of \$1,400,000, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Office of the Attorney General for disbursement to the Illinois Equal Justice Foundation for use as provided in the Illinois Equal Justice Act.

ARTICLE 35

Section 1. The amount of \$6,350,000 or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Office of the Treasurer for ordinary and contingent expenses, but not including personal services.

ARTICLE 36

Section 1. The amount of \$50,000 or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Court of Claims for ordinary and contingent expenses, but not including personal services.

ARTICLE 37

Section 1. The amount of \$1,180,600 or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the State Board of Elections for ordinary and contingent expenses, but not including personal services.

Section 5. The amount of \$4,429,700, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the State Board of Elections for FY 2017 reimbursement and assistance to local election jurisdictions for ongoing support costs, and SBE maintenance of local election jurisdiction interfaces for the Illinois Voter Registration System (IVRS) Statewide database and FY 2017 implementation costs of Public Act 98-1171.

ARTICLE 38

Section 1. The amount of \$25,000 or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Procurement Policy Board for ordinary and contingent expenses, but not including personal services.

ARTICLE 39

Section 5. The sum of \$10,000,000, or so much thereof as may be necessary, is appropriated from the Capital Development Fund to the Capital Development Board for a grant to Joliet Junior College for costs associated with construction of the City Center campus.

Section 10. The sum of \$14,633,402, or so much thereof as may be necessary, is appropriated from the Capital Development Fund to the Capital Development Board for grants and other capital improvements awarded under the Community Health Center Construction Act.

Section 15. The following named sums, or so much thereof as may be necessary, are appropriated from the Capital Development Fund to the Capital Development Board for the Illinois Community College Board for the projects hereinafter enumerated:

ROCK VALLEY COLLEGE

For the renovation or expansion of classroom space, and other capital improvements..... 11,000,000

South Suburban College

For the planning and beginning of construction of an Allied Health Addition and other capital improvements ..... 15,860,000

William Rainey Harper College

For replacement of hospitality facility ..... 4,370,000

For construction of a One Stop/Admissions and Campus/Student Life Center, and other capital improvements ..... 42,000,000

Prairie State College – Chicago Heights

For costs associated with capital improvements at Prairie State College ..... 2,900,000

Section 20. The sum of \$450,000, or so much thereof as may be necessary, is appropriated from the Capital Development Fund to the Capital Development Board for a grant to Morton Community College for costs associated with a classroom addition to Building C, and other capital improvements

Section 25. The following named sums, or so much thereof as may be necessary, are appropriated from the Build Illinois Bond Fund to the Department of Commerce and Economic Opportunity for a grant to the Rockford District 205 for the project hereinafter enumerated:

CICS ROCKFORD CHARTER PATRIOTS CENTER

For acquisition, construction, rehabilitation, and renovation ..... 500,000

Section 30. The sum of \$3,000,000, or so much thereof as may be necessary, is appropriated

from the Build Illinois Bond Fund to the Department of Commerce and Economic Opportunity for a grant to Crossing Healthcare for costs associated with capital improvements.

Section 35. The sum of \$2,000,000, or so much thereof as may be necessary, is appropriated from the Build Illinois Bond Fund to the Department of Commerce and Economic Opportunity for a grant awarded to Lawndale Christian Health Center for costs associated with capital improvements.

Section 40. The sum of \$13,000,000, or so much thereof as may be necessary, is appropriated to the Department of Natural Resources from the Abandoned Mined Lands Reclamation Council Federal Trust Fund for grants and contracts to conduct research, planning and construction to eliminate hazards created by abandoned mines, and any other expenses necessary for emergency response.

Section 45. The sum of \$22,260,390, or so much thereof as may be necessary, is appropriated to the Department of Natural Resources from the Abandoned Mined Lands Reclamation Council Federal Trust Fund for grants and contracts to conduct research, planning and construction to eliminate hazards created by abandoned mines, and any other expenses necessary for emergency response.

Section 50. The sum of \$24,541,832, or so much thereof as may be necessary, is appropriated from the Capital Development Fund to the Department of Natural Resources for expenditure by the Office of Water Resources for projects at the approximate cost set forth below:

Flood Hazard Mitigation – Statewide –	
For cost sharing to acquire flood prone structures, to implement flood hazard mitigation plans, and to acquire mitigation sites associated with flood control projects.....	12,128,927
Flood Hazard Mitigation - For implementation of flood hazard mitigation plans, and acquisition of wetland and tree mitigation sites for state and local joint flood control projects in cooperation with federal agencies, state agencies, and units of local government, in various counties.....	
	8,079,294
Flood Mitigation - Disaster Declaration Areas.....	
	4,333,611

Section 55. The sum of \$25,602,298, or so much thereof as may be necessary, is appropriated from the Capital Development Fund to the Department of Natural Resources for expenditure by the Office of Water Resources for improvements needed at publicly-owned Dams for upgrading and rehabilitation of dams, spillways and supporting facilities, including dam removals and the required geotechnical investigations, preparation of plans and specifications, and the construction of the proposed rehabilitation to ensure reduced risk of injury to the public, and for needed repairs and improvements on and to waterways and infrastructure.

Section 60. The sum of \$7,034,360, or so much thereof as may be necessary, is appropriated from the Capital Development Fund to the Department of Natural Resources for expenditure by the Office of Water Resources for improvements needed at publicly-owned Dams for upgrading and rehabilitation of dams, spillways and supporting facilities, including dam removals and the required geotechnical investigations, preparation of plans and specifications, and the construction of the proposed rehabilitation to ensure reduced risk of injury to the public, and for needed repairs and improvements on and to waterways and infrastructure.

Section 65. The sum of \$1,545,949, or so much thereof as may be necessary, is appropriated from the Wildlife and Fish Fund to the Department of Natural Resources for expenses of subgrantee payments.

Section 70. The sum of \$26,746,068, or so much thereof as may be necessary, is appropriated from the Wildlife and Fish Fund to the Department of Natural Resources for (i) reallocation of Wildlife

and Fish grant reimbursements, (ii) wildlife conservation and restoration plans and programs from federal and/or state funds provided for such purposes or (iii) both purposes.

Section 75. The sum of \$4,258,907, or so much thereof as may be necessary, is appropriated from the Wildlife and Fish Fund to the Department of Natural Resources for expenses of subgrantee payments.

Section 80. "AN ACT concerning appropriations", Public Act 99-0524, approved June 30, 2016, is amended by changing Section 290 of Article 166 as follows:

(P.A. 99-0524, Art. 166, Sec 290.)

Sec. 290. The sum of ~~\$782,734,763~~ \$772,734,763, or so much thereof as may be necessary, and remains unexpended at the close of business on June 30, 2016, from the reappropriation heretofore made in Article 6, Section 70 of Public Act 99-0007, as amended, is reappropriated from the Transportation Bond Series B Fund to the Department of Transportation for construction costs, making grants and providing project assistance to the Regional Transportation Authority.

Section 85. "AN ACT concerning appropriations", Public Act 99-0524, approved June 30, 2016, is amended by changing Section 300 of Article 166 as follows:

(P.A. 99-0524, Art. 166, Sec 300.)

Sec. 300. The sum of ~~\$619,095,951~~ \$609,095,951, or so much thereof as may be necessary, and remains unexpended at the close of business on June 30, 2016, from the reappropriation heretofore made in Article 6, Section 80 of Public Act 99-0007, as amended, is reappropriated from the Transportation Bond Series B Fund to the Department of Transportation for construction costs, making grants and providing project assistance to the Regional Transportation Authority.

Section 90. "AN ACT concerning appropriations", Public Act 99-0524, approved June 30, 2016, is amended by adding Section 303 to Article 166 as follows:

(P.A. 99-0524, Art. 166, Sec 303. new)

Sec. 303. The sum of \$20,000,000 or so much thereof as may be necessary, is appropriated from the Transportation Bond Series B Fund to the Department of Transportation for a grant to the Regional Transportation Authority for costs associated with construction of a Metra Station located at the intersection of 79th Street and Lowe Avenue in Chicago.

Section 95. The sum of \$10,110,139, or so much thereof as may be necessary, is appropriated from the Build Illinois Bond Fund to the Secretary of State for capital grants to public libraries for permanent improvements.

#### ARTICLE 40

Section 5. The sum of \$5,000,000, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Court of Claims for payment of line of duty awards.

Section 10. The following named amounts are appropriated from the General Revenue Fund to the Court of Claims to pay claims in conformity with awards and recommendations made by the Court of Claims as follows:

No. 15-CC-0076, Matthew Wojtaszek, unjust imprisonment.....	5,000
No. 15-CC-3248, Christopher Coleman, unjust imprisonment.....	220,732
No. 15-CC-3467, Lewis Gardner, unjust imprisonment.....	220,732
No. 15-CC-3468, Paul Phillips, unjust imprisonment.....	

imprisonment.....	220,732
No. 15-CC-3662, Michael Winston, unjust imprisonment.....	188,423
No. 15-CC-3674, David Bates, unjust imprisonment.....	188,423
No. 15-CC-3946, Brian M. Kayer, unjust imprisonment.....	5,000
No. 16-CC-0001, Angel Gonzalez, unjust imprisonment.....	220,732
No. 16-CC-1334, Cortez Murphy, unjust imprisonment.....	13,500
No. 16-CC-2054, Daniel Andersen, unjust imprisonment.....	220,732
No. 16-CC-2701 & 16-CC-3222, Ben Baker, unjust imprisonment.....	188,423
No. 16-CC-2773, Marcus Borne, unjust imprisonment.....	30,000
No. 16-CC-3219, Anthony Johnson, unjust imprisonment.....	188,423
No. 16-CC-3269, Jermaine Walker, unjust imprisonment.....	188,423
No. 17-CC-0522, Edward Bolden, unjust imprisonment.....	220,732
No. 17-CC-0903, Mark Maxson, unjust imprisonment.....	220,732
No. 17-CC-1007, Bernard Mims, unjust imprisonment.....	188,423
No. 17-CC-2016, Teshome Campbell, unjust Imprisonment.....	220,732
No. 17-CC-0960, Jose Montanez, unjust Imprisonment.....	222,939
No. 17-CC-0961, Armando Serrano, unjust Imprisonment.....	222,939
No. 17-CC-1543, Lionel White, unjust Imprisonment.....	95,546

ARTICLE 41

Section 5. The following named amounts, or so much thereof as may be necessary, are appropriated for the ordinary and contingent expenses of the Department on Aging:

DISTRIBUTIVE ITEMS  
OPERATIONS

Payable from the General Revenue Fund:

For Expenses of the Provisions of the Statewide Centralized Abuse, Neglect, Financial Exploitation and Self-Neglect Act .....	33,197,200
For Expenses of the Senior Employment Specialist Program .....	195,100
For Expenses of the Grandparents Raising Grandchildren Program .....	307,500
For Specialized Training Program.....	327,600
For Expenses of the Illinois Department on Aging for Monitoring and Support Services.....	186,500
For Expenses of the Illinois Council on Aging .....	26,600
For Administrative Expenses of the Senior Meal Program .....	700
For Benefits, Eligibility, Assistance and Monitoring .....	551,600
For the expenses of the Senior Helpline .....	<u>163,200</u>
Total	\$34,956,000

Section 10. The following named amounts, or so much thereof as may be necessary, respectively, are appropriated from the General Revenue Fund for the ordinary and contingent expenses of the Department on Aging:

DISTRIBUTIVE ITEMS  
GRANTS-IN-AID

For Grants for Retired Senior Volunteer Program .....	565,600
For Planning and Service Grants to Area Agencies on Aging .....	7,915,000
For Grants for the Foster Grandparent Program.....	247,400
For Expenses to the Area Agencies on Aging for Long-Term Care Systems Development.....	280,600
For the Ombudsman Program .....	8,514,900
For Grants for Community Based Services for equal distribution to each of the 13 Area Agencies on Aging .....	<u>1,445,000</u>
Total	\$18,968,500

Section 15. The following named amounts, or so much thereof as may be necessary, respectively, are appropriated for the ordinary and contingent expenses of the Department on Aging:

DISTRIBUTIVE ITEMS  
COMMUNITY CARE

Payable from General Revenue Fund:

For grants and for administrative expenses associated with the purchase of services covered by the Community Care Program, including prior year costs .....	46,311,400
For the Balancing Incentive Program .....	5,201,600
For grants and for administrative expenses associated with Comprehensive Case Coordination, including prior year costs.....	24,005,800

Payable from the Commitment to Human Services Fund:

For grants and for administrative expenses associated with the purchase of services covered by the Community Care
---

Program, including prior year costs ..... 294,000,000

ARTICLE 42

Section 5. The following named amounts, or so much thereof as may be necessary, are appropriated to the Department of Public Health for the objects and purposes hereinafter named:

OFFICE OF HEALTH PROMOTION

Payable from the General Revenue Fund:

For Grants for Vision and Hearing  
Screening Programs ..... 683,400

Section 10. The following named amounts, or so much thereof as may be necessary, are appropriated to the Department of Public Health for expenses of programs related to Acquired Immunodeficiency Syndrome (AIDS) and Human Immunodeficiency Virus (HIV):

OFFICE OF HEALTH PROTECTION: AIDS/HIV

Payable from the General Revenue Fund:

For Expenses of AIDS/HIV Education,  
Drugs, Services, Counseling, Testing,  
Outreach to Minority populations, costs  
associated with correctional facilities  
Referral and Partner Notification  
(CTRPN), and Patient and Worker  
Notification pursuant to Public  
Act 87-763 ..... 18,176,200

Section 15. The following named amounts, or as much thereof as may be necessary, are appropriated to the Department of Public Health for the objects and purposes hereinafter named:

OFFICE OF WOMEN'S HEALTH

Payable from the General Revenue Fund:

For Expenses for Breast and Cervical  
Cancer Screenings, minority outreach,  
and other Related Activities ..... 6,916,300  
For grants for the extension and provision  
of perinatal services for premature  
and high-risk infants and their mothers ..... 2,005,400

Section 20. The following named amounts, or as much thereof as may be necessary, are appropriated to the Department of Public Health for the objects and purposes hereinafter named:

OFFICE OF WOMEN'S HEALTH

Payable from the General Revenue Fund:

For Expenses associated with School Health  
Centers ..... 1,179,900  
For Grants to Family Planning Programs  
for Contraceptive Services ..... 846,800

ARTICLE 43

Section 5. The following named amounts, or so much thereof as may be necessary, respectively, for the objects and purposes hereinafter named, are appropriated to the Department of Human Services for income assistance and related distributive purposes, including such Federal funds as are made available by the Federal Government for the following purposes:

DISTRIBUTIVE ITEMS

GRANTS-IN-AID

Payable from General Revenue Fund:

For Grants and for Administrative  
Expenses associated with Refugee  
Social Services..... 204,000

Section 10. The following named sums, or so much thereof as may be necessary, respectively,



for the purposes hereinafter named, are appropriated to the Department of Human Services for Grants-In-Aid and Purchased Care in its various regions pursuant to Sections 3 and 4 of the Community Services Act and the Community Mental Health Act:

**MENTAL HEALTH GRANTS AND PROGRAM SUPPORT  
GRANTS-IN-AID AND PURCHASED CARE**

Payable from the General Revenue Fund:

For all costs and administrative expenses for Community Service Programs for Persons with Mental Illness; Child and Adolescent Mental Health Programs; Community Hospital Inpatient & Psych Services; Eligibility and Disposition Assessment; Jail Data Link Project; Juvenile Justice Trauma Program; Regions Special Consumer Supports & Mental Health Services; Rural Behavioral Health Access; Supported Residential; the Living Room; and all other Services to persons with Mental Illness .....89,120,800  
 For costs associated with the Purchase and Disbursement of Psychotropic Medications for Mentally Ill Clients in the Community .....1,928,800  
 For Supportive MI Housing .....16,313,700  
 For the costs associated with Mental Health Balancing Incentive Programs .....3,205,100

Section 15. The following named amounts, or so much thereof as may be necessary, respectively, are appropriated for the objects and purposes hereinafter named, to the Department of Human Services:

**ADDICTION TREATMENT  
GRANTS-IN-AID**

Payable from the General Revenue Fund:

For costs associated with Community Based Addiction Treatment Services..... 36,508,500  
 For costs associated with Addiction Treatment Services for Special Populations..... 5,387,400

Section 20. The sum of \$512,500, or as much thereof is necessary is appropriated from the General Revenue Fund to the Department of Human Services for a pilot program to study uses and effects of medication assisted treatments for addiction and for the prevention of relapse to opioid dependence in publicly-funded treatment program.

Section 25. The following named amounts, or so much thereof as may be necessary, respectively, are appropriated to the Department of Human Services:

**REHABILITATION SERVICES BUREAUS  
GRANTS-IN-AID**

Payable from the General Revenue Fund:

For Case Services to Individuals..... 9,174,700  
 For all costs associated with the Rehabilitation Services Balancing Incentive Programs.....2,313,500  
 For Grants to Independent Living Centers ..... 4,403,900  
 For Independent Living Older Blind Grant..... 137,500  
 For Federal match for Supported Employment Programs..... 104,500

Section 30. The following named sums, or so much thereof as may be necessary, respectively, are appropriated to the Department of Human Services for the purposes hereinafter named:

**FAMILY AND COMMUNITY SERVICES**

Payable from the General Revenue Fund:

For Expenses for the Development and Implementation of Cornerstone .....194,200

Section 35. The following named amounts, or so much thereof as may be necessary, respectively, for the objects hereinafter named, are appropriated to the Department of Human Services for Family and Community Services and related distributive purposes, including such Federal funds as are made available by the Federal government for the following purposes:

FAMILY AND COMMUNITY SERVICES  
GRANTS-IN-AID

Payable from the General Revenue Fund:

For Grants and administrative expenses for Programs to Reduce Infant Mortality, provide Case Management and Outreach Services, and for the Intensive Prenatal Performance Project .....	12,300,000
For Costs Associated with the Domestic Violence Shelters and Services Program .....	18,635,000
For Grants and Administrative Expenses of Supportive Housing Services .....	10,464,800
For Grants and Administrative Expenses of the Comprehensive Community-Based Services to Youth .....	16,960,100
For Grants and Administrative Expenses of Redeploy Illinois .....	5,007,200
For Grants and Administrative Expenses for Homeless Youth Services .....	4,663,700
For grants to provide Assistance to Sexual Assault Victims and for Sexual Assault Prevention Activities .....	6,313,700
For Grants and Administrative Expenses Related to the Healthy Families Program .....	9,947,700
For Parents Too Soon Program .....	7,042,100

Section 40. The sum of \$10,000,000 or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Department of Human Services for grants to community providers and local governments for youth employment programs.

ARTICLE 44

Section 5. The sum of \$500,000, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Department of Veterans' Affairs for costs associated with the Illinois Warrior Assistance Program.

Section 10. The sum of \$1,549,300, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Department of Veterans' Affairs for costs associated with the Homeless Veterans Program.

Section 15. The following named amounts, or so much thereof as may be necessary, are appropriated from the General Revenue Fund to the Department of Veterans' Affairs for the objects and purposes and in the amounts set forth as follows:

GRANTS-IN-AID

For Bonus Payments to War Veterans and Peacetime Crisis Survivors .....	396,000
For Providing Educational Opportunities for Children of Certain Veterans, as provided by law .....	100,000

ARTICLE 45

Section 5. The sum of \$20,720,400, or so much thereof as may be necessary, is appropriated from the Education Assistance Fund to the Board of Trustees of Chicago State University to meet its operational expenses.

Section 10. The sum of \$11,171,700, or so much thereof as may be necessary, is appropriated from the Education Assistance Fund to the Board of Trustees of Eastern Illinois University for ordinary and contingent expenses.

Section 15. The sum of \$11,305,100, or so much thereof as may be necessary, is appropriated from the Education Assistance Fund to the Board of Trustees of Governors State University to meet its operational expenses.

Section 20. The sum of \$17,336,800, or so much thereof as may be necessary, is appropriated from the Education Assistance Fund to the Board of Trustees of Northeastern Illinois University to meet its operational expenses.

Section 25. The sum of \$42,799,700, or so much thereof as may be necessary, is appropriated from the Education Assistance Fund to the Board of Trustees of Northern Illinois University to meet its operational expenses.

Section 30. The sum of \$33,935,700, or so much thereof as may be necessary, is appropriated from the Education Assistance Fund to the Board of Trustees of Illinois State University to meet its operational expenses.

Section 35. The sum of \$93,403,000, or so much thereof as may be necessary, is appropriated from the Education Assistance Fund to the Board of Trustees of Southern Illinois University to meet its operational expenses.

Section 40. The sum of \$289,814,600, or so much thereof as may be necessary, is appropriated from the Education Assistance Fund to the Board of Trustees of University of Illinois to meet its operational expenses and operating costs and expenses related to or in support of the University of Illinois Hospital.

Section 45. The sum of \$6,772,800, or so much thereof as may be necessary, is appropriated from the Education Assistance Fund to the Board of Trustees of the University of Illinois for costs and expenses related to or in support of the Prairie Research Institute, in accordance with Public Act 95-0728.

Section 50. The sum of \$11,658,300, or so much thereof as may be necessary, is appropriated from the Education Assistance Fund to the Board of Trustees of Western Illinois University to meet its operational expenses.

#### ARTICLE 46

Section 5. The sum of \$640,500, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Board of Higher Education for a grant to the Board of Trustees of the University Center of Lake County for the ordinary and contingent expenses of the Center.

Section 10. The sum of \$1,456,500, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Board of Higher Education for the administration and distribution of grants authorized by the Diversifying Higher Education Faculty in Illinois Program.

Section 15. The sum of \$415,400, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Board of Higher Education for competitive grants for nursing schools to increase the number of graduating nurses.

Section 20. The sum of \$219,300, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Board of Higher Education for nurse educator fellowships to supplement nurse faculty salaries.

[February 28, 2017]

Section 25. The amount of \$291,500, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Illinois Mathematics and Science Academy for ordinary and contingent expenses, but not including personal services.

ARTICLE 47

Section 5. The amount of \$500,000, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Illinois Community College Board for Career and Technical Education Licensed Practical Nurse and Registered Nurse Preparation.

Section 10. The following named amounts, or so much thereof as may be necessary, respectively, are appropriated to the Illinois Community College Board for all costs associated with career and technical education activities:

From the General Revenue Fund ..... 17,569,400

Section 15. The following named amounts, or so much thereof as may be necessary, respectively, are appropriated from the General Revenue Fund to the Illinois Community College Board for distribution to qualifying public community colleges for the purposes specified:

Small College Grants ..... 537,600

Section 20. The following named amounts, or so much of those amounts as may be necessary, for the objects and purposes named, are appropriated to the Illinois Community College Board for adult education and literacy activities.

From the General Revenue Fund ..... 32,274,000

Section 25. The following named amounts, or so much of those amounts as may be necessary, are appropriated to the Illinois Community College Board for distribution of base operating and equalization grants to qualifying public community colleges and the City Colleges of Chicago for educational related expenses. Allocations shall be made using the fiscal year 2016 data:

Payable from the General Revenue Fund ..... 160,076,000

Section 30. The sum of \$391,000, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Illinois Community College Board for a grant to Rock Valley College for programs for transitioning high school students.

Section 35. The sum of \$1,259,300, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Illinois Community College Board to reimburse the following colleges for costs associated with the Illinois Veterans' Grant:

Illinois Valley Community College .....	87,200
Southwestern Illinois College .....	85,300
Illinois Central Community College .....	84,400
Southeastern Community College.....	78,400
Kishwaukee Community College.....	70,800
Lincoln Land Community College.....	66,500
Richland Community College.....	66,500
Kankakee Community College .....	65,700
Lewis and Clark Community College .....	64,400
Parkland College.....	55,500
John A. Logan College .....	53,400
Triton College .....	44,200
Black Hawk College .....	44,200
Prairie State College .....	84,400
Spoon River College.....	70,800
Carl Sandburg College.....	70,800
John Wood Community College.....	78,400
South Suburban College .....	44,200
Olney Central College.....	<u>44,200</u>
Total .....	\$1,259,300

Section 40. The sum of \$1,407,500, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Illinois Community College Board for the payment of grants to the Alternative Schools Network.

ARTICLE 48

Section 5. The following named amounts, or so much of those amounts as may be necessary, for the objects and purposes named, are appropriated to the Illinois Student Assistance Commission for grant awards to students eligible for the Monetary Award Program, as provided by law, and for agency administrative and operational costs not to exceed 2 percent of the total appropriation in this Section.

From the Education Assistance Fund .....	141,000,000
Payable from the General Revenue Fund .....	161,856,300
Payable from the Fund for the Advancement of Education .....	<u>62,000,000</u>
Total .....	\$364,856,300

Section 10. The following named sums, or so much thereof as may be necessary, respectively, are appropriated from the General Revenue Fund to the Illinois Student Assistance Commission for the following purposes:

Grants and Scholarships

For the payment of scholarships to students who are children of policemen or firemen killed in the line of duty, or who are dependents of correctional officers killed or permanently disabled in the line of duty, as provided by law .....	1,715,400
For payment of Minority Teacher Scholarships .....	<u>2,443,800</u>
Total .....	\$4,159,200

Section 15. The sum of \$3,249,000, or so much thereof as may be necessary, is appropriated from the Education Assistance Fund to the Illinois Student Assistance Commission to the Golden Apple Scholars of Illinois program, as provided by law.

ARTICLE 49

Section 1. All appropriations included in this Article 51 may be sub-allocated according to coding pursuant to the Comptroller and shall only be for personnel-related expenses incurred from February 1, 2017 through June 30, 2017. Personnel-related expenses include, but are not limited to, personal services, social security contributions, Medicare contributions, retirement contributions, group health insurance, contractual payroll, and extra help.

Section 3. "Operational expenses" defined. For the purposes of this Article 51, the term "operational expenses" includes the following items:

- (a) Personal Services;
- (b) For State Contributions to State Employees' Retirement System;
- (c) State Contributions to Social Security and/or Medicaid;
- (d) Group Insurance;
- (e) Extra Help;
- (f) Contractual Payroll.

Section 5. The amount of \$17,111,287, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Department of Natural Resources for operational expenses for the fiscal year ending June 30, 2017.

Section 10. The amount of \$1,215,037, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Department of Agriculture for operational

expenses for the fiscal year ending June 30, 2017.

Section 15. The amount of \$2,523,700, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Illinois Emergency Management Agency for operational expenses for the fiscal year ending June 30, 2017.

Section 20. The amount of \$3,560,612, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Department of Military Affairs for operational expenses for the fiscal year ending June 30, 2017.

Section 25. The amount of \$19,925,474, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Department of Veterans' Affairs for operational expenses for the fiscal year ending June 30, 2017.

Section 30. The amount of \$999,981, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Illinois Arts Council for operational expenses for the fiscal year ending June 30, 2017.

Section 35. The amount of \$3,000,048, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Executive Ethics Commission for operational expenses for the fiscal year ending June 30, 2017.

Section 40. The amount of \$198,747, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Illinois Independent Tax Tribunal for operational expenses for the fiscal year ending June 30, 2017.

Section 45. The amount of \$13,100,000, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Office of the Attorney General for operational expenses for the fiscal year ending June 30, 2017.

Section 50. The amount of \$307,202, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Deaf and Hard of Hearing Commission for operational expenses for the fiscal year ending June 30, 2017.

Section 55. The amount of \$2,035,707, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Office of the Governor for operational expenses for the fiscal year ending June 30, 2017.

Section 60. The amount of \$554,264, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Office of the Lieutenant Governor for operational expenses for the fiscal year ending June 30, 2017.

Section 65. The amount of \$28,299,694, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to Central Management Services for operational expenses for the fiscal year ending June 30, 2017.

Section 70. The amount of \$500,103, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Governor's Office of Management and Budget for operational expenses for the fiscal year ending June 30, 2017.

Section 75. The amount of \$193,646, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Civil Service Commission for operational expenses for the fiscal year ending June 30, 2017.

Section 80. The amount of \$114,021, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Procurement Policy Board for operational expenses for the fiscal year ending June 30, 2017.

Section 85. The sum of \$4,829,236, or so much thereof as may be necessary, is appropriated

from the General Revenue Fund to the Department of Commerce and Economic Opportunity for operational expenses for the fiscal year ending June 30, 2017.

Section 90. The amount of \$1,926,848, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Historic Preservation Agency for operational expenses for the fiscal year ending June 30, 2017.

Section 95. The amount of \$724,248, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the State Universities Civil Service System for operational expenses for the fiscal year ending June 30, 2017.

Section 100. The amount of \$101,437,055, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Office of the Secretary of State for operational expenses for the fiscal year ending June 30, 2017.

Section 105. The amount of \$4,099,798, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Office of the Treasurer for operational expenses for the fiscal year ending June 30, 2017.

Section 110. The amount of \$5,855,699, or so much there as may be necessary, is appropriated from the General Revenue Fund to the Department of Human Rights for operational expenses for the fiscal year ending June 30, 2017.

Section 115. The amount of \$175,346,200, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Department of Human Services for operational expenses for the fiscal year ending June 30, 2017.

Section 120. The amount of \$22,499,100, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Department of Public Health for operational expenses for the fiscal year ending June 30, 2017.

Section 125. The sum of \$1,020,510, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Board of Higher Education for operational expenses for the fiscal year ending June 30, 2017.

Section 130. The sum of \$555,573, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Illinois Community College Board for operational expenses for the fiscal year ending June 30, 2017.

Section 135. The amount of \$6,478,096, or so much thereof as may be necessary, is appropriated from the Education Assistance Fund to the Illinois Mathematics and Science Academy for operational expenses for the fiscal year ending June 30, 2017.

Section 140. The amount of \$452,658,200, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Department of Corrections for operational expenses for the fiscal year ending June 30, 2017.

Section 145. The amount of \$127,718,743, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Department of State Police for operational expenses for the fiscal year ending June 30, 2017.

Section 150. The amount of \$745,273, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Illinois Criminal Justice Information Authority for operational expenses for the fiscal year ending June 30, 2017.

Section 155. The amount of \$388,261, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Prisoner Review Board for operational expenses for the fiscal year ending June 30, 2017.

Section 160. The amount of \$4,990,410, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Guardianship and Advocacy Commission for operational expenses for the fiscal year ending June 30, 2017.

Section 165. The amount of \$14,774,326, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Department of Healthcare and Family Services for operational expenses for the fiscal year ending June 30, 2017.

Section 170. The amount of \$3,108,812, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Department on Aging for operational expenses for the fiscal year ending June 30, 2017.

Section 175. The amount of \$5,942,578, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the State Comptroller for operational expenses for the fiscal year ending June 30, 2017.

Section 180. The amount of \$577,149, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Illinois Labor Relations Board for operational expenses for the fiscal year ending June 30, 2017.

Section 185. The amount of \$2,544,763, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the State Board of Elections for operational expenses for the fiscal year ending June 30, 2017.

Section 190. The amount of \$577,500, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Court of Claims for operational expenses for the fiscal year ending June 30, 2017.

Section 195. The amount of \$3,428,638, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Department of Labor for operational expenses for the fiscal year ending June 30, 2017.

Section 200. The amount of \$43,459,877, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Department of Revenue for operational expenses for the fiscal year ending June 30, 2017.

Section 205. The following named amounts, or so much thereof as may be necessary, respectively, are appropriated to the Department of Agriculture for:

ENVIRONMENTAL PROGRAMS

Payable from the General Revenue Fund:

For Administration of the Livestock Management Facilities Act.....	122,324
For the Detection, Eradication, and Control of Exotic Pests, such as the Asian Long-Horned Beetle and Gypsy Moth .....	209,115

Section 210. The following named amounts, or so much thereof as may be necessary, are appropriated to the Department of Agriculture for repairs, maintenance, and capital improvements including construction, reconstruction, improvement, repair and installation of capital facilities, cost of planning, supplies, materials, equipment, services and all other expenses required to complete the work:

Payable from Agricultural Premium Fund:

For various projects at the Illinois State Fairgrounds.....	28,832
For various projects at the DuQuoin State Fairgrounds .....	500,271

Section 215. The following named sums, or so much thereof as may be necessary,



respectively, for the objects and purposes hereinafter named, are appropriated to meet the ordinary and contingent expenses of the Department of Military Affairs:

FOR OPERATIONS  
OFFICE OF THE ADJUTANT GENERAL

Payable from General Revenue Fund:  
For Lincoln’s Challenge ..... 327,182

Section 220. The following named amounts, or so much thereof as may be necessary, are appropriated to the Department of Commerce and Economic Opportunity:

OFFICE OF TRADE AND INVESTMENT  
OPERATIONS

Payable from the General Revenue Fund:  
For Grants, Contracts, and Administrative  
Expenses associated with the Illinois  
Office of Trade and Investment,  
including prior year costs..... 823,948

Section 225. The following named amounts, or so much thereof as may be necessary, respectively, are appropriated to the Department of Commerce and Economic Opportunity:

ILLINOIS ENERGY OFFICE  
GRANTS

Payable from the Solid Waste Management Fund:  
For Grants, Contracts and  
Administrative Expenses Associated with  
Providing Financial Assistance for  
Recycling and Reuse in Accordance with  
Section 22.15 of the Environmental  
Protection Act, the Illinois Solid Waste  
Management Act and the Solid Waste  
Planning and Recycling Act,  
including prior year costs..... 100,775

Section 230. The following named amounts, or so much thereof as may be necessary, are appropriated to the Department of Commerce and Economic Opportunity:

OFFICE OF COAL DEVELOPMENT  
GRANTS

Payable from the Coal Technology  
Development Assistance Fund:  
For Grants, Contracts and Administrative  
Expenses Under the Provisions of the  
Illinois Coal Technology Development  
Assistance Act, including  
prior years costs..... 139,842

Section 235. The amount of \$174,754, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Historic Preservation Agency for the operational expenses of the Lewis and Clark Historic Site in Madison County for the fiscal year ending June 30, 2017.

Section 240. The amount of \$1,708,373, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Office of the Secretary of State for new construction and alterations, and maintenance of the interiors and exteriors of the facilities under the jurisdiction of the Secretary of State for the fiscal year ending June 30, 2017.

Section 245. The amount of \$164,096, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Office of the Secretary of State for library services for the blind and physically handicapped for the fiscal year ending June 30, 2017.

Section 250. The amount of \$2,651, or so much thereof as may be necessary, is appropriated

from the General Revenue Fund to the Office of the Secretary of State for annual library technology grants and for direct purchase of equipment and services that support library development and technology advancement in libraries statewide for the fiscal year ending June 30, 2017.

Section 255. The amount of \$99,727, or so much thereof as may be necessary, is appropriated from the State Pensions Fund to the Office of the Treasurer to meet the ordinary and contingent expenses of the Secure Choice Savings Program for the fiscal year ending June 30, 2017.

Section 260. The following named amounts, or so much thereof as may be necessary, respectively, for the objects and purposes hereinafter named, are appropriated to the Department of Human Services for income assistance and related distributive purposes, including such Federal funds as are made available by the Federal Government for the following purposes:

DISTRIBUTIVE ITEMS  
GRANTS-IN-AID

Payable from General Revenue Fund:  
 For Grants Associated with Child Care  
 Services, Including Operating and  
 Administrative Costs .....280,000,000

Section 265. The sum of \$87,646,300, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Department of Human Services for costs associated with the operation of State Operated Mental Health Facilities or the costs associated with services for the transition of State Operated Mental Health Facilities residents to alternative community settings.

Section 270. The following named sums, or so much thereof as may be necessary, respectively, for the purposes hereinafter named, are appropriated to the Department of Human Services for Grants-In-Aid and Purchased Care in its various regions pursuant to Sections 3 and 4 of the Community Services Act and the Community Mental Health Act:

DEVELOPMENTAL DISABILITIES GRANTS AND PROGRAM SUPPORT  
GRANTS-IN-AID AND PURCHASED CARE

Payable from General Revenue Fund:  
 For Developmental Disability Quality  
 Assurance Waiver.....263,200

Section 275. The following named amounts, or so much thereof as may be necessary, respectively, are appropriated for the objects and purposes hereinafter named, to the Department of Human Services:

ADDICTION TREATMENT  
GRANTS-IN-AID

Payable from General Revenue Fund:  
 For costs associated with Addiction  
 Treatment Services for Special Populations .....281,100

Section 280. The following named sums, or so much thereof as may be necessary, respectively, are appropriated to the Department of Human Services for the purposes hereinafter named:

FAMILY AND COMMUNITY SERVICES

Payable from General Revenue Fund:  
 For Expenses for the Development and  
 Implementation of Cornerstone .....58,400

Section 285. The following named amounts, or so much thereof as may be necessary, respectively, for the objects hereinafter named, are appropriated to the Department of Human Services for Family and Community Services and related distributive purposes, including such Federal funds as are made available by the Federal government for the following purposes:

FAMILY AND COMMUNITY SERVICES

Payable from General Revenue Fund:  
 For Costs Associated with the  
 Domestic Violence Shelters

and Services Program ..... 201,200  
 For Grants and Administrative Expenses  
 Related to the Healthy Families Program .....158,300

Section 290. The following named amounts, or so much thereof as may be necessary, are appropriated to the Department of Public Health for the objects and purposes hereinafter named:

DIVISION OF INFORMATION TECHNOLOGY

Payable from the General Revenue Fund:

For Expenses Associated with the Childhood  
 Immunization Program .....82,200

Section 295. The following named amounts, or so much thereof as may be necessary, are appropriated to the Department of Public Health for the objects and purposes hereinafter named:

OFFICE OF POLICY, PLANNING AND STATISTICS

Payable from the General Revenue Fund:

For expenses of the Adverse Pregnancy  
 Outcomes Reporting Systems (APORS) Program  
 and the Adverse Health Care Event  
 Reporting and Patient Safety Initiative ..... 498,700  
 For expenses of State Cancer Registry,  
 including matching funds for National  
 Cancer Institute grants ..... 61,500

Section 300. The following named amounts, or so much thereof as may be necessary, are appropriated to the Department of Public Health for the objects and purposes hereinafter named:

OFFICE OF HEALTH PROTECTION

Payable from the General Revenue Fund:

For Expenses Incurred for the Rapid  
 Investigation and Control of  
 Disease or Injury .....344,100  
 For Expenses of Environmental Health  
 Surveillance and Prevention  
 Activities, Including Mercury  
 Hazards and West Nile Virus .....206,900  
 For Expenses for Expanded Lab Capacity  
 and Enhanced Statewide Communication  
 Capabilities Associated with  
 Homeland Security .....290,800

Section 305. The following named amounts, or so much thereof as may be necessary, are appropriated to the Department of Public Health for expenses of programs related to Acquired Immunodeficiency Syndrome (AIDS) and Human Immunodeficiency Virus (HIV):

OFFICE OF HEALTH PROTECTION: AIDS/HIV

Payable from the General Revenue Fund:

For Expenses of AIDS/HIV Education,  
 Drugs, Services, Counseling, Testing,  
 Outreach to Minority populations, costs  
 associated with correctional facilities  
 Referral and Partner Notification  
 (CTRPN), and Patient and Worker  
 Notification pursuant to Public  
 Act 87-763 .....1,028,900

Section 310. The following named amounts, or so much thereof as may be necessary, are appropriated to the Department of Public Health for the objects and purposes hereinafter named:

PUBLIC HEALTH LABORATORIES

Payable from the General Revenue Fund:

For Operational Expenses to Provide  
 Clinical and Environmental Public

Health Laboratory Services .....1,557,700

Section 315. The following named amounts, or as much thereof as may be necessary, are appropriated to the Department of Public Health for the objects and purposes hereinafter named:

OFFICE OF WOMEN'S HEALTH

Payable from the General Revenue Fund:

For Expenses for Breast and Cervical Cancer Screenings, minority outreach, and other Related Activities ..... 503,300
For Expenses of the Women's Health Promotion Programs ..... 211,100

Section 320. The sum of \$82,221, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Board of Higher Education for costs and expenses associated with the administration and enforcement associated with the P-20 Longitudinal Education Data System.

Section 325. The sum of \$95,397, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Illinois Community College Board for costs associated with the development, support or administration of the Illinois Longitudinal Data System.

Section 330. The sum of \$166,907, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to Illinois Community College Board for costs associated with administering GED tests.

Section 335. The sum of \$193,189, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to Illinois Community College Board for all costs associated with career and technical education activities.

Section 340. The following named amount, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Illinois Student Assistance Commission for the following purpose:

To support outreach, research, and training activities..... 683,233

Section 345. The following named sums, or so much thereof as is necessary, respectively, are appropriated from the Education Assistance Fund for payroll related deductions pursuant to the Illinois Comptroller's payroll offsets according to 15 ILCS 405:

For Chicago State University..... 38,500
For Governor's State University ..... 10,500
For Northeastern Illinois University ..... 50,000
For Northern Illinois University ..... 67,000
For Illinois State University ..... 45,900
For Southern Illinois University ..... 43,700
For University of Illinois ..... 569,515

Section 350. The sum of \$258,184, or so much thereof as may be necessary, is appropriated to the Department of Corrections from the General Revenue Fund for a grant to the Illinois Sentencing Policy Advisory Council.

Section 355. The sum of \$306,948, or so much thereof as may be necessary, is appropriated to the Department of State Police, Division of Forensic Services and Identification, from the General Revenue Fund for the operational expenses related to the Combined DNA Index System (CODIS) and related casework.

Section 360. The sum of \$396,382, or so much thereof as may be necessary, is appropriated to the Department of State Police, Division of Internal Investigation, from the General Revenue Fund for the ordinary and contingent expenses incurred while operating the Nursing Home Identified

Offender Program.

Section 365. The amount of \$31,906, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Illinois Criminal Justice Information Authority for the Illinois Family Violence Coordinating Council Program.

Section 370. The sum of \$562,159, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the Illinois Criminal Justice Information Authority for administrative costs, awards and grants for the Adult Redeploy and Diversion programs.

Section 375. The amount of \$151,407, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to Illinois Criminal Justice Information Authority for grants and administrative expenses related to Operation CeaseFire.

Section 380. The following named sums, or so much therefor as may be necessary, respectively, for the objects and purposes hereinafter named, are appropriated to meet the ordinance and contingent expenses of the Department of Revenue:

PAYABLE FROM THE GENERAL REVENUE FUND

For costs and expenses related to  
or in support of a Government Services  
shared services center .....

1,009,151

Section 385. The following named amounts, or so much thereof as may be necessary, respectively, are appropriated for the ordinary and contingent expenses of the Department on Aging:

DISTRIBUTIVE ITEMS  
OPERATIONS

Payable from General Revenue Fund:

For Administrative Expenses

of the Senior Meal Program ..... 10,530

For Benefits, Eligibility,

Assistance and Monitoring ..... 901,951

For the expenses of the Senior Helpline ..... 1,905,203

Section 390. The amount of \$4,782,630, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the State Comptroller to pay certain appointed officers of the Executive Branch of the State Government.

Section 395. The amount of \$163,800, so much thereof as may be necessary, is appropriated from the Weights and Measures Fund to the State Comptroller to pay certain appointed officers of the Executive Branch of the State Government, at the various rates prescribed by law, for the Department of Agriculture.

Section 400. The amount of \$62,667, so much thereof as may be necessary, is appropriated from the DCFS Children’s Services Fund to the State Comptroller to pay certain appointed officers of the Executive Branch of the State Government, at the various rates prescribed by law, for the Department of Children and Family Services.

Section 405. The amount of \$53,797, so much thereof as may be necessary, is appropriated from the Nuclear Safety Emergency Preparedness Fund to the State Comptroller to pay certain appointed officers of the Executive Branch of the State Government, at the various rates prescribed by law, for the Illinois Emergency Management Agency.

Section 410. The amount of \$67,528, so much thereof as may be necessary, is appropriated from the Radiation Protection Fund to the State Comptroller to pay certain appointed officers of the Executive Branch of the State Government, at the various rates prescribed by law, for the Illinois Emergency Management Agency.

Section 415. The amount of \$168,459, so much thereof as may be necessary, is appropriated from the Professions Indirect Cost Fund to the State Comptroller to pay certain appointed officers of

the Executive Branch of the State Government, at the various rates prescribed by law, for the Department of Financial and Professional Regulation.

Section 420. The amount of \$43,250, so much thereof as may be necessary, is appropriated from the Illinois Power Agency Operations Fund to the State Comptroller to pay certain appointed officers of the Executive Branch of the State Government, at the various rates prescribed by law, for the Illinois Power Agency.

Section 425. The amount of \$56,088, so much thereof as may be necessary, is appropriated from the Insurance Producer Administration Fund to the State Comptroller to pay certain appointed officers of the Executive Branch of the State Government, at the various rates prescribed by law, for the Department of Insurance.

Section 430. The amount of \$103,388, so much thereof as may be necessary, is appropriated from the State Lottery Fund to the State Comptroller to pay certain appointed officers of the Executive Branch of the State Government, at the various rates prescribed by law, for the Department of Lottery.

Section 435. The amount of \$180,158, so much thereof as may be necessary, is appropriated from the Park and Conservation Fund to the State Comptroller to pay certain appointed officers of the Executive Branch of the State Government, at the various rates prescribed by law, for the Department of Natural Resources.

Section 440. The amount of \$115,960, so much thereof as may be necessary, is appropriated from the Coal Mining Regulatory Fund to the State Comptroller to pay certain appointed officers of the Executive Branch of the State Government, at the various rates prescribed by law, for the Department of Natural Resources.

Section 445. The amount of \$115,953, so much thereof as may be necessary, is appropriated from the Road Fund to the State Comptroller to pay certain appointed officers of the Executive Branch of the State Government, at the various rates prescribed by law, for the Department of Transportation.

Section 450. The amount of \$501,689, so much thereof as may be necessary, is appropriated from the IWCC Operations Fund to the State Comptroller to pay certain appointed officers of the Executive Branch of the State Government, at the various rates prescribed by law, for the Illinois Workers' Compensation Commission.

Section 455. The amount of \$48,260, so much thereof as may be necessary, is appropriated from the Fire Prevention Fund to the State Comptroller to pay certain appointed officers of the Executive Branch of the State Government, at the various rates prescribed by law, for the Office of the State Fire Marshal.

Section 460. The amount of \$133,000, so much thereof as may be necessary, is appropriated from the Horse Racing Fund to the State Comptroller to pay certain appointed officers of the Executive Branch of the State Government, at the various rates prescribed by law, for the Illinois Racing Board.

Section 465. The amount of \$90,619, so much thereof as may be necessary, is appropriated from the Title III Social Security and Employment Service Fund to the State Comptroller to pay certain appointed officers of the Executive Branch of the State Government, at the various rates prescribed by law, for the Department of Employment Security.

Section 470. The amount of \$56,841, so much thereof as may be necessary, is appropriated from the Bank and Trust Company Fund to the State Comptroller to pay certain appointed officers of the Executive Branch of the State Government, at the various rates prescribed by law, for the Department of Financial and Professional Regulation.

Section 475. The following named amounts, or so much thereof as may be necessary, respectively, for the objects and purposes hereinafter named, are appropriated to the State Comptroller in connection with the payment of salaries for officers of the Executive and Legislative Branches of State Government:

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For State Contribution to State Employees' Retirement System:	
From Horse Racing Fund.....	57,732
From Fire Prevention Fund.....	22,743
From Bank and Trust Company Fund.....	22,242
From Title III Social Security and Employment Service Fund.....	54,855
From Weights and Measures .....	67,007
From DCFS Children's Services Fund .....	29,544
From Nuclear Safety Emergency Preparedness Fund.....	25,366
From Radiation Protection Fund.....	31,545
From Professions Indirect Cost Fund.....	79,042
From Illinois Power Agency Operations Fund.....	20,389
From Insurance Producer Administration Fund.....	26,468
From State Lottery Fund.....	42,279
From Park and Conservation Fund .....	74,239
From Coal Mining Regulatory Fund.....	61,700
From Road Fund.....	54,605
From IWCC Operations Fund.....	<u>237,107</u>
Total .....	\$906,863

For State Contribution to Social Security:	
From General Revenue Fund.....	417,356
From Horse Racing Fund.....	10,233
From Fire Prevention Fund.....	3,741
From Bank and Trust Company Fund.....	3,420
From Title III Social Security and Employment Service Fund.....	7,808
From Weights and Measures .....	12,436
From DCFS Children's Services Fund .....	6,764
From Nuclear Safety Emergency Preparedness Fund.....	3,946
From Radiation Protection Fund.....	5,283
From Professions Indirect Cost Fund.....	13,353
From Illinois Power Agency Operations Fund.....	3,717
From Insurance Producer Administration Fund.....	5,056
From State Lottery Fund.....	6,825
From Park and Conservation Fund .....	13,290
From Coal Mining Regulatory Fund.....	8,925
From Road Fund.....	10,875
From IWCC Operations Fund.....	<u>38,118</u>
Total .....	\$571,146

For Group Insurance:	
From Fire Prevention Fund.....	24,000
From Bank and Trust Company Fund.....	6,716
From Title III Social Security and Employment Service Fund.....	11,316
From Weights and Measures .....	30,244
From DCFS Children's Services Fund .....	24,000
From Nuclear Safety Emergency Preparedness Fund.....	10,216
From Radiation Protection Fund.....	23,878
From Professions Indirect Cost Fund.....	47,687
From Illinois Power Agency Operations Fund.....	10,516
From Insurance Producer Administration Fund.....	12,909
From State Lottery Fund.....	20,809
From Park and Conservation Fund .....	47,828
From Coal Mining Regulatory Fund.....	184,000
From Road Fund.....	38,196

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From IWCC Operations Fund.....	<u>109,148</u>
Total .....	\$601,463

Section 480. The amount of \$261,038, or so much thereof as may be necessary, is appropriated from the General Revenue Fund to the State Comptroller to pay certain appointed officers of the Executive Branch of the State Government, at the various rates prescribed by law for Executive Inspector Generals.

ARTICLE 50

Section 1. “AN ACT concerning appropriations”, Public Act 99-0524, approved June 30, 2016, is amended by changing Section 15 of Article 147 as follows:

(P.A. 99-0524, Art. 147, Sec 15.)

Section 15. Appropriations authorized in this Article may be used for costs incurred through ~~December 31 of 2016~~ June 30, 2017.

Section 5. “AN ACT concerning appropriations”, Public Act 99-0524, approved June 30, 2016, is amended by changing Section 35 of Article 148 as follows:

(P.A. 99-0524, Art. 148, Sec 35.)

Section 35. Appropriations authorized in this Article may be used for costs incurred through ~~December 31 of 2016~~ June 30, 2017.

Section 10. “AN ACT concerning appropriations”, Public Act 99-0524, approved June 30, 2016, is amended by changing Section 15 of Article 149 as follows:

(P.A. 99-0524, Art. 149, Sec 15.)

Section 15. Appropriations authorized in this Article may be used for costs incurred through ~~December 31 of 2016~~ June 30, 2017.

Section 15. “AN ACT concerning appropriations”, Public Act 99-0524, approved June 30, 2016, is amended by changing Section 10 of Article 151 as follows:

(P.A. 99-0524, Art. 151, Sec 10.)

Section 10. Appropriations authorized in this Article may be used for costs incurred through ~~December 31 of 2016~~ June 30, 2017.

Section 20. “AN ACT concerning appropriations”, Public Act 99-0524, approved June 30, 2016, is amended by changing Section 55 of Article 152 as follows:

(P.A. 99-0524, Art. 152, Sec 55.)

Section 55. Appropriations authorized in this Article may be used for costs incurred through ~~December 31 of 2016~~ June 30, 2017.

Section 25. “AN ACT concerning appropriations”, Public Act 99-0524, approved June 30, 2016, is amended by changing Section 1 of Article 997 as follows:

(P.A. 99-0524, Art. 997, Sec 1.)

Section 1. Appropriations in Articles 174 through 223 are for costs incurred through ~~December 31 of 2016~~ June 30, 2017.

ARTICLE 997

Section 1. All appropriation authority granted in this Act shall not supersede any order of any court directing the expenditure of funds for fiscal years 2016 or 2017.

ARTICLE 998



Section 1. Appropriations authorized in this Act may be used for all costs incurred prior to July 1, 2017.

#### ARTICLE 999

Section 999. Effective date. If and only if all of the following bills of the 100th General Assembly become law: Senate Bills 1, 2, 3, 4, 5, 7, 8, 9, 10, 12, 13, and 16, then this Act takes effect upon becoming law; however, this Act does not take effect at all unless all of the following bills of the 100th General Assembly become law: Senate Bills 1, 2, 3, 4, 5, 7, 8, 9, 10, 12, 13, and 16."

The motion prevailed.

And the amendment was adopted and ordered printed.

Senator J. Cullerton offered the following amendment and Senator Steans moved its adoption:

#### AMENDMENT NO. 4 SENATE BILL 6

AMENDMENT NO. 4. Amend Senate Bill 6, AS AMENDED, with reference to page and line numbers of Senate Amendment No. 3, as follows:

On page 76, by replacing line 14 with the following:

"Senate Bills 1, 3, 4, 5, 7, 8, 9, 10, 12, 13, and 16, then";  
and

on page 76, by replacing lines 17 and 18 with the following:

"100th General Assembly become law: Senate Bills 1, 3, 4, 5,  
7, 8, 9, 10, 12, 13, and 16."."

The motion prevailed.

And the amendment was adopted and ordered printed.

There being no further amendments, the foregoing Amendments numbered 3 and 4 were ordered engrossed, and the bill, as amended, was ordered to a third reading.

#### READING BILL OF THE SENATE A THIRD TIME

On motion of Senator Steans, as chief co-sponsor pursuant to Senate Rule 5-1(b)(i), **Senate Bill No. 6** having been transcribed and typed and all amendments adopted thereto having been printed, was taken up and read by title a third time.

And the question being, "Shall this bill pass?" it was decided in the affirmative by the following vote:

YEAS 42; NAYS 16; Present 1.

The following voted in the affirmative:

Althoff	Fowler	Link	Sandoval
Anderson	Haine	Manar	Silverstein
Aquino	Harmon	Martinez	Stadelman
Bennett	Harris	McCann	Steans
Bertino-Tarrant	Holmes	McGuire	Syverson
Biss	Hunter	Morrison	Tracy
Bush	Hutchinson	Mulroe	Trotter
Castro	Jones, E.	Muñoz	Van Pelt
Clayborne	Koehler	Murphy	Mr. President
Collins	Landek	Radogno	
Cunningham	Lightford	Raoul	

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The following voted in the negative:

Barickman	McCarter	Rezin	Weaver
Bivins	McConchie	Righter	
Brady	McConnaughay	Rooney	
Connelly	Nybo	Rose	
Cullerton, T.	Oberweis	Schimpf	

The following voted present:

Hastings

This bill, having received the vote of a constitutional majority of the members elected, was declared passed, and all amendments not adopted were tabled pursuant to Senate Rule No. 5-4(a).

Ordered that the Secretary inform the House of Representatives thereof and ask their concurrence therein.

At the hour of 3:36 o'clock p.m., Senator Munóz, presiding.

At the hour of 3:45 o'clock p.m., Senator Clayborne, presiding.

#### **REPORT FROM COMMITTEE ON ASSIGNMENTS**

Senator Clayborne, Chairperson of the Committee on Assignments, during its February 28, 2017 meeting, reported the following Legislative Measures have been assigned to the indicated Standing Committees of the Senate:

Agriculture: **SENATE BILLS 1579, 1584, 1716, 1876, 1900, 2039 and 2070.**

Appropriations I: **SENATE BILLS 1679, 1695 and 1772.**

Appropriations II: **SENATE BILLS 1934 and 1993.**

Commerce and Economic Development: **SENATE BILLS 1567, 1981, 1987, 2023 and 2066.**

Criminal Law: **SENATE BILLS 1581, 1614, 1615, 1661, 1690, 1704, 1715, 1745, 1759, 1761, 1781, 1782, 1799, 1830, 1842, 1843, 1886, 1903, 1976, 1980, 2021, 2034, 2053 and 2073; Committee Amendment No. 1 to Senate Bill 680; Committee Amendment No. 1 to Senate Bill 699.**

Education: **SENATE BILLS 1532, 1692, 1739, 1740, 1808, 1885, 1947, 1991 and 2085.**

Energy: **SENATE BILLS 1601, 1602, 1610, 1611, 1617, 1618, 1703, 1840, 1872 and 1974.**

Environment and Conservation: **SENATE BILLS 1597, 1599, 1648, 1649, 1775, 1784, 1866, 1943, 1969, 1983, 1985, 1989 and 2030; Committee Amendment No. 1 to Senate Joint Resolution 15.**

Executive: **SENATE BILLS 223, 224, 1582, 1588, 1592, 1612, 1724, 1742, 1743, 1798, 1831, 1901, 1904, 1933, 1977, 2063, 2064 and 2089; Floor Amendment No. 1 to Senate Bill 674; Committee Amendment No. 1 to Senate Bill 759.**

Executive Subcommittee on Special Issues: **SENATE BILL 1380.**

Gaming: **SENATE BILLS 1664, 1804, 1805, 1806 and 1894.**

Government Reform: **SENATE BILLS 1670, 1686, 2059 and 2061.**

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Higher Education: **SENATE BILLS 1671, 1675, 1838, 1865, 1884, 1889, 1897, 1945 and 1968; Committee Amendment No. 1 to Senate Bill 83.**

Human Services: **SENATE BILLS 1566, 1573, 1577, 1596, 1619, 1676, 1691, 1705, 1708, 1709, 1710, 1746, 1747, 1748, 1749, 1750, 1751, 1815, 1845, 1847, 1851, 1870, 1891 and 2047; Committee Amendment No. 1 to Senate Bill 660.**

Insurance: **SENATE BILLS 1609, 1646, 1681, 1706, 1723, 1730, 1732, 1733, 1737, 1833, 1834, 1844, 1899, 1906, 1946, 1967, 1971, 1995 and 2027; Committee Amendment No. 1 to Senate Bill 692.**

Judiciary: **SENATE BILLS 1261, 1571, 1578, 1589, 1595, 1603, 1613, 1647, 1657, 1660, 1665, 1667, 1668, 1673, 1674, 1698, 1711, 1753, 1809, 1828, 1832, 1863, 1864, 1867, 1868, 1877, 1890, 1898, 1994, 1996, 2018, 2019, 2054, 2055, 2074 and 2076; Committee Amendment No. 2 to Senate Bill 57; Committee Amendment No. 1 to Senate Bill 67; Floor Amendment No. 1 to Senate Bill 69; Committee Amendment No. 1 to Senate Bill 74; Committee Amendment No. 1 to Senate Bill 194; Committee Amendment No. 1 to Senate Bill 1258; Committee Amendment No. 1 to Senate Bill 1502.**

Labor: **SENATE BILLS 1587, 1653, 1658, 1697, 1720, 1721, 1738, 1752, 1760, 1762, 1839, 1856, 1895, 1905, 1978 and 2060.**

Licensed Activities and Pensions: **SENATE BILLS 308, 1570, 1585, 1604, 1682, 1688, 1707, 1714, 1754, 1790, 1816, 1817, 1818, 1819, 1821, 1882, 1992, 2011, 2049 and 2058; Floor Amendment No. 2 to Senate Bill 772.**

Local Government: **SENATE BILLS 422, 1337, 1591, 1605, 1666, 1701, 1735, 1736, 1795, 1807, 1862, 2032, 2057 and 2068.**

Public Health: **SENATE BILLS 1586, 1655, 1662, 1773, 1846, 1893, 1944, 2031, 2038 and 2043; Committee Amendment No. 1 to Senate Bill 1530.**

Revenue: **SENATE BILLS 719, 1565, 1593, 1598, 1622, 1656, 1678, 1700, 1702, 1719, 1744, 1764, 1765, 1766, 1767, 1783, 1791, 1792, 1793, 1794, 1803, 1871, 1887, 1979, 2012, 2017, 2022, 2024, 2026, 2046, 2050, 2071, 2075, 2080, 2084 and 2088; Committee Amendment No. 1 to Senate Bill 587; Committee Amendment No. 1 to Senate Bill 604; Committee Amendment No. 1 to Senate Bill 1283.**

Special Committee on Oversight of Medicaid Managed Care: **SENATE BILLS 1379, 1654, 1888 and 2069; Committee Amendment No. 1 to Senate Bill 622.**

State Government: **SENATE BILLS 1470, 1606, 1621, 1652, 1696, 1758, 1778, 1779, 1780, 1802, 1848, 1869, 1880, 1902, 1975 and 2091; Committee Amendment No. 1 to Senate Bill 676; Committee Amendment No. 1 to Senate Bill 1519.**

Telecommunications and Information Technology: **SENATE BILL 2072.**

Transportation: **SENATE BILLS 421, 1262, 1576, 1580, 1680, 1683, 1687, 1694, 1755, 1972, 2028, 2036, 2037 and 2041; Committee Amendment No. 1 to Senate Bill 51; Committee Amendment No. 1 to Senate Bill 679; Committee Amendment No. 1 to Senate Bill 691; Committee Amendment No. 1 to Senate Bill 1448.**

Veterans Affairs: **SENATE BILLS 1620, 1693, 1756 and 1757.**

Senator Clayborne, Chairperson of the Committee on Assignments, during its February 28, 2017 meeting, reported that the Committee recommends that **Senate Bills numbered 608 and 622** be referred from the Committee on Human Services to the Special Committee on Oversight of Medicaid Managed Care.

Senator Clayborne, Chairperson of the Committee on Assignments, during its February 28, 2017 meeting, reported the following Legislative Measures have been assigned to the indicated Standing Committees of the Senate:

Commerce and Economic Development: **Senate Resolution No. 140.**

Education: **Senate Resolution No. 168.**

Environment and Conservation: **Senate Resolution No. 128.**

Executive: **Senate Joint Resolution Constitutional Amendments Numbered 3, 4, 5, 6, 7, 8, 9 and 10.**

Labor: **Senate Resolution No. 117.**

Public Health: **Senate Resolution No. 118; Senate Joint Resolution No. 16.**

State Government: **Senate Resolutions Numbered 148, 155 and 156.**

Transportation: **Senate Joint Resolutions Numbered 13 and 14; House Joint Resolution No. 10.**

Senator Clayborne, Chairperson of the Committee on Assignments, during its February 28, 2017 meeting, reported that the following Legislative Measure has been approved for consideration:

**Senate Joint Resolution 19**

The foregoing resolution was placed on the Secretary's Desk.

Pursuant to Senate Rule 3-8 (b-1), the following amendments will remain in the Committee on Assignments: **Floor Amendment No. 3 to Senate Bill 4, Committee Amendment No. 1 to Senate Bill 758**

At the hour of 3:58 o'clock p.m., the Chair announced the Senate stand adjourned until Wednesday, March 1, 2017, at 12:00 o'clock noon.