

1 AN ACT concerning public employee benefits.

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

4 Section 5. The Property Tax Code is amended by changing  
5 Section 18-185 as follows:

6 (35 ILCS 200/18-185)

7 Sec. 18-185. Short title; definitions. This Division 5  
8 may be cited as the Property Tax Extension Limitation Law. As  
9 used in this Division 5:

10 "Consumer Price Index" means the Consumer Price Index for  
11 All Urban Consumers for all items published by the United  
12 States Department of Labor.

13 "Extension limitation" means (a) the lesser of 5% or the  
14 percentage increase in the Consumer Price Index during the  
15 12-month calendar year preceding the levy year or (b) the rate  
16 of increase approved by voters under Section 18-205.

17 "Affected county" means a county of 3,000,000 or more  
18 inhabitants or a county contiguous to a county of 3,000,000 or  
19 more inhabitants.

20 "Taxing district" has the same meaning provided in Section  
21 1-150, except as otherwise provided in this Section. For the  
22 1991 through 1994 levy years only, "taxing district" includes  
23 only each non-home rule taxing district having the majority of

1 its 1990 equalized assessed value within any county or  
2 counties contiguous to a county with 3,000,000 or more  
3 inhabitants. Beginning with the 1995 levy year, "taxing  
4 district" includes only each non-home rule taxing district  
5 subject to this Law before the 1995 levy year and each non-home  
6 rule taxing district not subject to this Law before the 1995  
7 levy year having the majority of its 1994 equalized assessed  
8 value in an affected county or counties. Beginning with the  
9 levy year in which this Law becomes applicable to a taxing  
10 district as provided in Section 18-213, "taxing district" also  
11 includes those taxing districts made subject to this Law as  
12 provided in Section 18-213.

13 "Aggregate extension" for taxing districts to which this  
14 Law applied before the 1995 levy year means the annual  
15 corporate extension for the taxing district and those special  
16 purpose extensions that are made annually for the taxing  
17 district, excluding special purpose extensions: (a) made for  
18 the taxing district to pay interest or principal on general  
19 obligation bonds that were approved by referendum; (b) made  
20 for any taxing district to pay interest or principal on  
21 general obligation bonds issued before October 1, 1991; (c)  
22 made for any taxing district to pay interest or principal on  
23 bonds issued to refund or continue to refund those bonds  
24 issued before October 1, 1991; (d) made for any taxing  
25 district to pay interest or principal on bonds issued to  
26 refund or continue to refund bonds issued after October 1,

1 1991 that were approved by referendum; (e) made for any taxing  
2 district to pay interest or principal on revenue bonds issued  
3 before October 1, 1991 for payment of which a property tax levy  
4 or the full faith and credit of the unit of local government is  
5 pledged; however, a tax for the payment of interest or  
6 principal on those bonds shall be made only after the  
7 governing body of the unit of local government finds that all  
8 other sources for payment are insufficient to make those  
9 payments; (f) made for payments under a building commission  
10 lease when the lease payments are for the retirement of bonds  
11 issued by the commission before October 1, 1991, to pay for the  
12 building project; (g) made for payments due under installment  
13 contracts entered into before October 1, 1991; (h) made for  
14 payments of principal and interest on bonds issued under the  
15 Metropolitan Water Reclamation District Act to finance  
16 construction projects initiated before October 1, 1991; (i)  
17 made for payments of principal and interest on limited bonds,  
18 as defined in Section 3 of the Local Government Debt Reform  
19 Act, in an amount not to exceed the debt service extension base  
20 less the amount in items (b), (c), (e), and (h) of this  
21 definition for non-referendum obligations, except obligations  
22 initially issued pursuant to referendum; (j) made for payments  
23 of principal and interest on bonds issued under Section 15 of  
24 the Local Government Debt Reform Act; (k) made by a school  
25 district that participates in the Special Education District  
26 of Lake County, created by special education joint agreement

1 under Section 10-22.31 of the School Code, for payment of the  
2 school district's share of the amounts required to be  
3 contributed by the Special Education District of Lake County  
4 to the Illinois Municipal Retirement Fund under Article 7 of  
5 the Illinois Pension Code; the amount of any extension under  
6 this item (k) shall be certified by the school district to the  
7 county clerk; (l) made to fund expenses of providing joint  
8 recreational programs for persons with disabilities under  
9 Section 5-8 of the Park District Code or Section 11-95-14 of  
10 the Illinois Municipal Code; (m) made for temporary relocation  
11 loan repayment purposes pursuant to Sections 2-3.77 and  
12 17-2.2d of the School Code; (n) made for payment of principal  
13 and interest on any bonds issued under the authority of  
14 Section 17-2.2d of the School Code; (o) made for contributions  
15 to a firefighter's pension fund created under Article 4 of the  
16 Illinois Pension Code, to the extent of the amount certified  
17 under item (5) of Section 4-134 of the Illinois Pension Code;  
18 and (p) made for road purposes in the first year after a  
19 township assumes the rights, powers, duties, assets, property,  
20 liabilities, obligations, and responsibilities of a road  
21 district abolished under the provisions of Section 6-133 of  
22 the Illinois Highway Code.

23 "Aggregate extension" for the taxing districts to which  
24 this Law did not apply before the 1995 levy year (except taxing  
25 districts subject to this Law in accordance with Section  
26 18-213) means the annual corporate extension for the taxing

1 district and those special purpose extensions that are made  
2 annually for the taxing district, excluding special purpose  
3 extensions: (a) made for the taxing district to pay interest  
4 or principal on general obligation bonds that were approved by  
5 referendum; (b) made for any taxing district to pay interest  
6 or principal on general obligation bonds issued before March  
7 1, 1995; (c) made for any taxing district to pay interest or  
8 principal on bonds issued to refund or continue to refund  
9 those bonds issued before March 1, 1995; (d) made for any  
10 taxing district to pay interest or principal on bonds issued  
11 to refund or continue to refund bonds issued after March 1,  
12 1995 that were approved by referendum; (e) made for any taxing  
13 district to pay interest or principal on revenue bonds issued  
14 before March 1, 1995 for payment of which a property tax levy  
15 or the full faith and credit of the unit of local government is  
16 pledged; however, a tax for the payment of interest or  
17 principal on those bonds shall be made only after the  
18 governing body of the unit of local government finds that all  
19 other sources for payment are insufficient to make those  
20 payments; (f) made for payments under a building commission  
21 lease when the lease payments are for the retirement of bonds  
22 issued by the commission before March 1, 1995 to pay for the  
23 building project; (g) made for payments due under installment  
24 contracts entered into before March 1, 1995; (h) made for  
25 payments of principal and interest on bonds issued under the  
26 Metropolitan Water Reclamation District Act to finance

1 construction projects initiated before October 1, 1991; (h-4)  
2 made for stormwater management purposes by the Metropolitan  
3 Water Reclamation District of Greater Chicago under Section 12  
4 of the Metropolitan Water Reclamation District Act; (i) made  
5 for payments of principal and interest on limited bonds, as  
6 defined in Section 3 of the Local Government Debt Reform Act,  
7 in an amount not to exceed the debt service extension base less  
8 the amount in items (b), (c), and (e) of this definition for  
9 non-referendum obligations, except obligations initially  
10 issued pursuant to referendum and bonds described in  
11 subsection (h) of this definition; (j) made for payments of  
12 principal and interest on bonds issued under Section 15 of the  
13 Local Government Debt Reform Act; (k) made for payments of  
14 principal and interest on bonds authorized by Public Act  
15 88-503 and issued under Section 20a of the Chicago Park  
16 District Act for aquarium or museum projects and bonds issued  
17 under Section 20a of the Chicago Park District Act for the  
18 purpose of making contributions to the pension fund  
19 established under Article 12 of the Illinois Pension Code; (l)  
20 made for payments of principal and interest on bonds  
21 authorized by Public Act 87-1191 or 93-601 and (i) issued  
22 pursuant to Section 21.2 of the Cook County Forest Preserve  
23 District Act, (ii) issued under Section 42 of the Cook County  
24 Forest Preserve District Act for zoological park projects, or  
25 (iii) issued under Section 44.1 of the Cook County Forest  
26 Preserve District Act for botanical gardens projects; (m) made

1 pursuant to Section 34-53.5 of the School Code, whether levied  
2 annually or not; (n) made to fund expenses of providing joint  
3 recreational programs for persons with disabilities under  
4 Section 5-8 of the Park District Code or Section 11-95-14 of  
5 the Illinois Municipal Code; (o) made by the Chicago Park  
6 District for recreational programs for persons with  
7 disabilities under subsection (c) of Section 7.06 of the  
8 Chicago Park District Act; (p) made for contributions to a  
9 firefighter's pension fund created under Article 4 of the  
10 Illinois Pension Code, to the extent of the amount certified  
11 under item (5) of Section 4-134 of the Illinois Pension Code;  
12 (q) made by Ford Heights School District 169 under Section  
13 17-9.02 of the School Code; and (r) made for the purpose of  
14 making employer contributions to the Public School Teachers'  
15 Pension and Retirement Fund of Chicago under Section 34-53 of  
16 the School Code.

17 "Aggregate extension" for all taxing districts to which  
18 this Law applies in accordance with Section 18-213, except for  
19 those taxing districts subject to paragraph (2) of subsection  
20 (e) of Section 18-213, means the annual corporate extension  
21 for the taxing district and those special purpose extensions  
22 that are made annually for the taxing district, excluding  
23 special purpose extensions: (a) made for the taxing district  
24 to pay interest or principal on general obligation bonds that  
25 were approved by referendum; (b) made for any taxing district  
26 to pay interest or principal on general obligation bonds

1 issued before the date on which the referendum making this Law  
2 applicable to the taxing district is held; (c) made for any  
3 taxing district to pay interest or principal on bonds issued  
4 to refund or continue to refund those bonds issued before the  
5 date on which the referendum making this Law applicable to the  
6 taxing district is held; (d) made for any taxing district to  
7 pay interest or principal on bonds issued to refund or  
8 continue to refund bonds issued after the date on which the  
9 referendum making this Law applicable to the taxing district  
10 is held if the bonds were approved by referendum after the date  
11 on which the referendum making this Law applicable to the  
12 taxing district is held; (e) made for any taxing district to  
13 pay interest or principal on revenue bonds issued before the  
14 date on which the referendum making this Law applicable to the  
15 taxing district is held for payment of which a property tax  
16 levy or the full faith and credit of the unit of local  
17 government is pledged; however, a tax for the payment of  
18 interest or principal on those bonds shall be made only after  
19 the governing body of the unit of local government finds that  
20 all other sources for payment are insufficient to make those  
21 payments; (f) made for payments under a building commission  
22 lease when the lease payments are for the retirement of bonds  
23 issued by the commission before the date on which the  
24 referendum making this Law applicable to the taxing district  
25 is held to pay for the building project; (g) made for payments  
26 due under installment contracts entered into before the date



1 on which the referendum making this Law applicable to the  
2 taxing district is held; (h) made for payments of principal  
3 and interest on limited bonds, as defined in Section 3 of the  
4 Local Government Debt Reform Act, in an amount not to exceed  
5 the debt service extension base less the amount in items (b),  
6 (c), and (e) of this definition for non-referendum  
7 obligations, except obligations initially issued pursuant to  
8 referendum; (i) made for payments of principal and interest on  
9 bonds issued under Section 15 of the Local Government Debt  
10 Reform Act; (j) made for a qualified airport authority to pay  
11 interest or principal on general obligation bonds issued for  
12 the purpose of paying obligations due under, or financing  
13 airport facilities required to be acquired, constructed,  
14 installed or equipped pursuant to, contracts entered into  
15 before March 1, 1996 (but not including any amendments to such  
16 a contract taking effect on or after that date); (k) made to  
17 fund expenses of providing joint recreational programs for  
18 persons with disabilities under Section 5-8 of the Park  
19 District Code or Section 11-95-14 of the Illinois Municipal  
20 Code; (l) made for contributions to a firefighter's pension  
21 fund created under Article 4 of the Illinois Pension Code, to  
22 the extent of the amount certified under item (5) of Section  
23 4-134 of the Illinois Pension Code; and (m) made for the taxing  
24 district to pay interest or principal on general obligation  
25 bonds issued pursuant to Section 19-3.10 of the School Code.

26 "Aggregate extension" for all taxing districts to which

1 this Law applies in accordance with paragraph (2) of  
2 subsection (e) of Section 18-213 means the annual corporate  
3 extension for the taxing district and those special purpose  
4 extensions that are made annually for the taxing district,  
5 excluding special purpose extensions: (a) made for the taxing  
6 district to pay interest or principal on general obligation  
7 bonds that were approved by referendum; (b) made for any  
8 taxing district to pay interest or principal on general  
9 obligation bonds issued before March 7, 1997 (the effective  
10 date of Public Act 89-718) ~~this amendatory Act of 1997~~; (c)  
11 made for any taxing district to pay interest or principal on  
12 bonds issued to refund or continue to refund those bonds  
13 issued before March 7, 1997 (the effective date of Public Act  
14 89-718) ~~this amendatory Act of 1997~~; (d) made for any taxing  
15 district to pay interest or principal on bonds issued to  
16 refund or continue to refund bonds issued after March 7, 1997  
17 ~~(the effective date of Public Act 89-718) this amendatory Act~~  
18 ~~of 1997~~ if the bonds were approved by referendum after March 7,  
19 1997 (the effective date of Public Act 89-718) ~~this amendatory~~  
20 ~~Act of 1997~~; (e) made for any taxing district to pay interest  
21 or principal on revenue bonds issued before March 7, 1997 (the  
22 effective date of Public Act 89-718) ~~this amendatory Act of~~  
23 ~~1997~~ for payment of which a property tax levy or the full faith  
24 and credit of the unit of local government is pledged;  
25 however, a tax for the payment of interest or principal on  
26 those bonds shall be made only after the governing body of the

1 unit of local government finds that all other sources for  
2 payment are insufficient to make those payments; (f) made for  
3 payments under a building commission lease when the lease  
4 payments are for the retirement of bonds issued by the  
5 commission before March 7, 1997 (the effective date of Public  
6 Act 89-718) ~~this amendatory Act of 1997~~ to pay for the building  
7 project; (g) made for payments due under installment contracts  
8 entered into before March 7, 1997 (the effective date of  
9 Public Act 89-718) ~~this amendatory Act of 1997~~; (h) made for  
10 payments of principal and interest on limited bonds, as  
11 defined in Section 3 of the Local Government Debt Reform Act,  
12 in an amount not to exceed the debt service extension base less  
13 the amount in items (b), (c), and (e) of this definition for  
14 non-referendum obligations, except obligations initially  
15 issued pursuant to referendum; (i) made for payments of  
16 principal and interest on bonds issued under Section 15 of the  
17 Local Government Debt Reform Act; (j) made for a qualified  
18 airport authority to pay interest or principal on general  
19 obligation bonds issued for the purpose of paying obligations  
20 due under, or financing airport facilities required to be  
21 acquired, constructed, installed or equipped pursuant to,  
22 contracts entered into before March 1, 1996 (but not including  
23 any amendments to such a contract taking effect on or after  
24 that date); (k) made to fund expenses of providing joint  
25 recreational programs for persons with disabilities under  
26 Section 5-8 of the Park District Code or Section 11-95-14 of

1 the Illinois Municipal Code; and (1) made for contributions to  
2 a firefighter's pension fund created under Article 4 of the  
3 Illinois Pension Code, to the extent of the amount certified  
4 under item (5) of Section 4-134 of the Illinois Pension Code.

5 "Debt service extension base" means an amount equal to  
6 that portion of the extension for a taxing district for the  
7 1994 levy year, or for those taxing districts subject to this  
8 Law in accordance with Section 18-213, except for those  
9 subject to paragraph (2) of subsection (e) of Section 18-213,  
10 for the levy year in which the referendum making this Law  
11 applicable to the taxing district is held, or for those taxing  
12 districts subject to this Law in accordance with paragraph (2)  
13 of subsection (e) of Section 18-213 for the 1996 levy year,  
14 constituting an extension for payment of principal and  
15 interest on bonds issued by the taxing district without  
16 referendum, but not including excluded non-referendum bonds.  
17 For park districts (i) that were first subject to this Law in  
18 1991 or 1995 and (ii) whose extension for the 1994 levy year  
19 for the payment of principal and interest on bonds issued by  
20 the park district without referendum (but not including  
21 excluded non-referendum bonds) was less than 51% of the amount  
22 for the 1991 levy year constituting an extension for payment  
23 of principal and interest on bonds issued by the park district  
24 without referendum (but not including excluded non-referendum  
25 bonds), "debt service extension base" means an amount equal to  
26 that portion of the extension for the 1991 levy year

1 constituting an extension for payment of principal and  
2 interest on bonds issued by the park district without  
3 referendum (but not including excluded non-referendum bonds).

4 A debt service extension base established or increased at any  
5 time pursuant to any provision of this Law, except Section  
6 18-212, shall be increased each year commencing with the later  
7 of (i) the 2009 levy year or (ii) the first levy year in which  
8 this Law becomes applicable to the taxing district, by the  
9 lesser of 5% or the percentage increase in the Consumer Price  
10 Index during the 12-month calendar year preceding the levy  
11 year. The debt service extension base may be established or  
12 increased as provided under Section 18-212. "Excluded  
13 non-referendum bonds" means (i) bonds authorized by Public Act  
14 88-503 and issued under Section 20a of the Chicago Park  
15 District Act for aquarium and museum projects; (ii) bonds  
16 issued under Section 15 of the Local Government Debt Reform  
17 Act; or (iii) refunding obligations issued to refund or to  
18 continue to refund obligations initially issued pursuant to  
19 referendum.

20 "Special purpose extensions" include, but are not limited  
21 to, extensions for levies made on an annual basis for  
22 unemployment and workers' compensation, self-insurance,  
23 contributions to pension plans, and extensions made pursuant  
24 to Section 6-601 of the Illinois Highway Code for a road  
25 district's permanent road fund whether levied annually or not.  
26 The extension for a special service area is not included in the

1 aggregate extension.

2 "Aggregate extension base" means the taxing district's  
3 last preceding aggregate extension as adjusted under Sections  
4 18-135, 18-215, 18-230, and 18-206. An adjustment under  
5 Section 18-135 shall be made for the 2007 levy year and all  
6 subsequent levy years whenever one or more counties within  
7 which a taxing district is located (i) used estimated  
8 valuations or rates when extending taxes in the taxing  
9 district for the last preceding levy year that resulted in the  
10 over or under extension of taxes, or (ii) increased or  
11 decreased the tax extension for the last preceding levy year  
12 as required by Section 18-135(c). Whenever an adjustment is  
13 required under Section 18-135, the aggregate extension base of  
14 the taxing district shall be equal to the amount that the  
15 aggregate extension of the taxing district would have been for  
16 the last preceding levy year if either or both (i) actual,  
17 rather than estimated, valuations or rates had been used to  
18 calculate the extension of taxes for the last levy year, or  
19 (ii) the tax extension for the last preceding levy year had not  
20 been adjusted as required by subsection (c) of Section 18-135.

21 Notwithstanding any other provision of law, for levy year  
22 2012, the aggregate extension base for West Northfield School  
23 District No. 31 in Cook County shall be \$12,654,592.

24 "Levy year" has the same meaning as "year" under Section  
25 1-155.

26 "New property" means (i) the assessed value, after final

1 board of review or board of appeals action, of new  
2 improvements or additions to existing improvements on any  
3 parcel of real property that increase the assessed value of  
4 that real property during the levy year multiplied by the  
5 equalization factor issued by the Department under Section  
6 17-30, (ii) the assessed value, after final board of review or  
7 board of appeals action, of real property not exempt from real  
8 estate taxation, which real property was exempt from real  
9 estate taxation for any portion of the immediately preceding  
10 levy year, multiplied by the equalization factor issued by the  
11 Department under Section 17-30, including the assessed value,  
12 upon final stabilization of occupancy after new construction  
13 is complete, of any real property located within the  
14 boundaries of an otherwise or previously exempt military  
15 reservation that is intended for residential use and owned by  
16 or leased to a private corporation or other entity, (iii) in  
17 counties that classify in accordance with Section 4 of Article  
18 IX of the Illinois Constitution, an incentive property's  
19 additional assessed value resulting from a scheduled increase  
20 in the level of assessment as applied to the first year final  
21 board of review market value, and (iv) any increase in  
22 assessed value due to oil or gas production from an oil or gas  
23 well required to be permitted under the Hydraulic Fracturing  
24 Regulatory Act that was not produced in or accounted for  
25 during the previous levy year. In addition, the county clerk  
26 in a county containing a population of 3,000,000 or more shall

1 include in the 1997 recovered tax increment value for any  
2 school district, any recovered tax increment value that was  
3 applicable to the 1995 tax year calculations.

4 "Qualified airport authority" means an airport authority  
5 organized under the Airport Authorities Act and located in a  
6 county bordering on the State of Wisconsin and having a  
7 population in excess of 200,000 and not greater than 500,000.

8 "Recovered tax increment value" means, except as otherwise  
9 provided in this paragraph, the amount of the current year's  
10 equalized assessed value, in the first year after a  
11 municipality terminates the designation of an area as a  
12 redevelopment project area previously established under the  
13 Tax Increment Allocation Redevelopment ~~Development~~ Act in the  
14 Illinois Municipal Code, previously established under the  
15 Industrial Jobs Recovery Law in the Illinois Municipal Code,  
16 previously established under the Economic Development Project  
17 Area Tax Increment Act of 1995, or previously established  
18 under the Economic Development Area Tax Increment Allocation  
19 Act, of each taxable lot, block, tract, or parcel of real  
20 property in the redevelopment project area over and above the  
21 initial equalized assessed value of each property in the  
22 redevelopment project area. For the taxes which are extended  
23 for the 1997 levy year, the recovered tax increment value for a  
24 non-home rule taxing district that first became subject to  
25 this Law for the 1995 levy year because a majority of its 1994  
26 equalized assessed value was in an affected county or counties



1 shall be increased if a municipality terminated the  
2 designation of an area in 1993 as a redevelopment project area  
3 previously established under the Tax Increment Allocation  
4 Redevelopment ~~Development~~ Act in the Illinois Municipal Code,  
5 previously established under the Industrial Jobs Recovery Law  
6 in the Illinois Municipal Code, or previously established  
7 under the Economic Development Area Tax Increment Allocation  
8 Act, by an amount equal to the 1994 equalized assessed value of  
9 each taxable lot, block, tract, or parcel of real property in  
10 the redevelopment project area over and above the initial  
11 equalized assessed value of each property in the redevelopment  
12 project area. In the first year after a municipality removes a  
13 taxable lot, block, tract, or parcel of real property from a  
14 redevelopment project area established under the Tax Increment  
15 Allocation Redevelopment ~~Development~~ Act in the Illinois  
16 Municipal Code, the Industrial Jobs Recovery Law in the  
17 Illinois Municipal Code, or the Economic Development Area Tax  
18 Increment Allocation Act, "recovered tax increment value"  
19 means the amount of the current year's equalized assessed  
20 value of each taxable lot, block, tract, or parcel of real  
21 property removed from the redevelopment project area over and  
22 above the initial equalized assessed value of that real  
23 property before removal from the redevelopment project area.

24 Except as otherwise provided in this Section, "limiting  
25 rate" means a fraction the numerator of which is the last  
26 preceding aggregate extension base times an amount equal to

1 one plus the extension limitation defined in this Section and  
2 the denominator of which is the current year's equalized  
3 assessed value of all real property in the territory under the  
4 jurisdiction of the taxing district during the prior levy  
5 year. For those taxing districts that reduced their aggregate  
6 extension for the last preceding levy year, except for school  
7 districts that reduced their extension for educational  
8 purposes pursuant to Section 18-206, the highest aggregate  
9 extension in any of the last 3 preceding levy years shall be  
10 used for the purpose of computing the limiting rate. The  
11 denominator shall not include new property or the recovered  
12 tax increment value. If a new rate, a rate decrease, or a  
13 limiting rate increase has been approved at an election held  
14 after March 21, 2006, then (i) the otherwise applicable  
15 limiting rate shall be increased by the amount of the new rate  
16 or shall be reduced by the amount of the rate decrease, as the  
17 case may be, or (ii) in the case of a limiting rate increase,  
18 the limiting rate shall be equal to the rate set forth in the  
19 proposition approved by the voters for each of the years  
20 specified in the proposition, after which the limiting rate of  
21 the taxing district shall be calculated as otherwise provided.  
22 In the case of a taxing district that obtained referendum  
23 approval for an increased limiting rate on March 20, 2012, the  
24 limiting rate for tax year 2012 shall be the rate that  
25 generates the approximate total amount of taxes extendable for  
26 that tax year, as set forth in the proposition approved by the

1 voters; this rate shall be the final rate applied by the county  
2 clerk for the aggregate of all capped funds of the district for  
3 tax year 2012.

4 (Source: P.A. 99-143, eff. 7-27-15; 99-521, eff. 6-1-17;  
5 100-465, eff. 8-31-17; revised 8-12-19.)

6 Section 10. The Chicago Park District Act is amended by  
7 changing Section 20a as follows:

8 (70 ILCS 1505/20a) (from Ch. 105, par. 333.20a)

9 Sec. 20a. Bonds; issuance; interest. Notwithstanding  
10 anything to the contrary in Section 20 of this Act, the Chicago  
11 Park District is authorized to issue from time to time bonds of  
12 such district in the principal amount of \$84,000,000 for the  
13 purpose of paying the cost of erecting, enlarging,  
14 ornamenting, building, rebuilding, rehabilitating and  
15 improving any aquarium or any museum or museums of art,  
16 industry, science or natural or other history located within  
17 any public park or parks under the control of the Chicago Park  
18 District, without submitting the question of issuing such  
19 bonds to the voters of the District.

20 Notwithstanding anything to the contrary in Section 20 of  
21 this Act, and in addition to any other amount of bonds  
22 authorized to be issued under this Act, the Chicago Park  
23 District is authorized to issue from time to time, before  
24 January 1, 2004, bonds of the district in the principal amount

1 of \$128,000,000 for the purpose of paying the cost of  
2 erecting, enlarging, ornamenting, building, rebuilding,  
3 rehabilitating, and improving any aquarium or any museum or  
4 museums of art, industry, science, or natural or other history  
5 located within any public park or parks under the control of  
6 the Chicago Park District, without submitting the question of  
7 issuing the bonds to the voters of the District.

8 Notwithstanding anything to the contrary in Section 20 of  
9 this Act, and in addition to any other amount of bonds  
10 authorized to be issued under this Act, the Chicago Park  
11 District is authorized to issue from time to time bonds of the  
12 district in the principal amount of \$250,000,000 for the  
13 purpose of making contributions to the pension fund  
14 established under Article 12 of the Illinois Pension Code  
15 without submitting the question of issuing the bonds to the  
16 voters of the District; except that in any one year, the  
17 Chicago Park District may not issue bonds in excess of  
18 \$75,000,000. Any bond issuances under this subsection are  
19 intended to decrease the unfunded liability of the pension  
20 fund and shall not decrease the amount of the employer  
21 contributions required in any given year under Section 12-149  
22 of the Illinois Pension Code.

23 The bonds authorized under this Section shall be of such  
24 denomination or denominations, may be registerable as to  
25 principal only, and shall mature serially within a period of  
26 not to exceed 20 years or, for bonds issued after the effective

1 date of this amendatory Act of the 93rd General Assembly,  
2 within a period of not to exceed 30 years, may be redeemable  
3 prior to maturity with or without premium at the option of the  
4 commissioners on such terms and conditions as the  
5 commissioners of the Chicago Park District shall fix by the  
6 ordinance authorizing the issuance of such bonds. The bonds  
7 shall bear interest at the rate of not to exceed that permitted  
8 in "An Act to authorize public corporations to issue bonds,  
9 other evidences of indebtedness and tax anticipation warrants  
10 subject to interest rate limitations set forth therein",  
11 approved May 26, 1970, as now or hereafter amended.

12 Such bonds shall be executed for and on behalf of the Park  
13 District by such officers as shall be specified in the bond  
14 ordinance, and one of such officers may be authorized to  
15 execute the bonds by his facsimile signature, which officer  
16 shall adopt as and for his official manual signature the  
17 facsimile signature as it appears upon the bonds.

18 The ordinance authorizing the issuance of the bonds shall  
19 provide for the levy and collection, in each of the years any  
20 of such bonds shall be outstanding, a tax without limitation  
21 as to rate or amount and in addition to all other taxes upon  
22 all the taxable property within the corporate boundaries of  
23 the Chicago Park District, sufficient to pay the principal of  
24 and the interest upon such bonds as the same matures and  
25 becomes due.

26 A certified copy of the ordinance providing for the

1 issuance of the bonds and the levying and collecting of the tax  
2 to pay the same shall be filed with the County Clerk of the  
3 county in which the Chicago Park District is located or with  
4 the respective County Clerks of each county in which the  
5 Chicago Park District is located. Such ordinance shall be  
6 irrevocable and upon receipt of the certified copy thereof the  
7 County Clerk or County Clerks, as the case may be, shall  
8 provide for, assess and extend the tax as therein provided  
9 upon all the taxable property located within the corporate  
10 boundaries of the Chicago Park District, in the same manner as  
11 other park taxes by law shall be provided for, assessed and  
12 extended, and such taxes shall be collected and paid out in the  
13 same manner as other park taxes by law shall be collected and  
14 paid.

15 The interest on any unexpended proceeds of bonds issued  
16 under this Section shall be credited to the Chicago Park  
17 District and shall be paid into the District's general  
18 corporate fund. The Chicago Park District may transfer such  
19 amount of interest from the general corporate fund to the  
20 aquarium and museum bond fund.

21 The amount of the outstanding bonded indebtedness of the  
22 Chicago Park District issued under this Section shall not be  
23 included in the bonded indebtedness of the District in  
24 determining whether or not the District has exceeded its  
25 limitation of 1/2 of 1% of the assessed valuation of all  
26 taxable property in the District as last equalized and

1 determined by the Department of Revenue for the issuance of  
2 any bonds authorized under the provisions of Section 20 of  
3 this Act without submitting the question to the legal voters  
4 for approval.

5 (Source: P.A. 93-338, eff. 7-24-03.)

6 Section 15. The Illinois Pension Code is amended by  
7 changing Sections 1-160, 12-130, 12-133.1, 12-133.2, 12-140,  
8 12-149, and 12-150 as follows:

9 (40 ILCS 5/1-160)

10 Sec. 1-160. Provisions applicable to new hires.

11 (a) The provisions of this Section apply to a person who,  
12 on or after January 1, 2011, first becomes a member or a  
13 participant under any reciprocal retirement system or pension  
14 fund established under this Code, other than a retirement  
15 system or pension fund established under Article 2, 3, 4, 5, 6,  
16 15 or 18 of this Code, notwithstanding any other provision of  
17 this Code to the contrary, but do not apply to any self-managed  
18 plan established under this Code, to any person with respect  
19 to service as a sheriff's law enforcement employee under  
20 Article 7, or to any participant of the retirement plan  
21 established under Section 22-101. Notwithstanding anything to  
22 the contrary in this Section, for purposes of this Section, a  
23 person who participated in a retirement system under Article  
24 15 prior to January 1, 2011 shall be deemed a person who first

1 became a member or participant prior to January 1, 2011 under  
2 any retirement system or pension fund subject to this Section.  
3 The changes made to this Section by Public Act 98-596 are a  
4 clarification of existing law and are intended to be  
5 retroactive to January 1, 2011 (the effective date of Public  
6 Act 96-889), notwithstanding the provisions of Section 1-103.1  
7 of this Code.

8 This Section does not apply to a person who first becomes a  
9 noncovered employee under Article 14 on or after the  
10 implementation date of the plan created under Section 1-161  
11 for that Article, unless that person elects under subsection  
12 (b) of Section 1-161 to instead receive the benefits provided  
13 under this Section and the applicable provisions of that  
14 Article.

15 This Section does not apply to a person who first becomes a  
16 member or participant under Article 16 on or after the  
17 implementation date of the plan created under Section 1-161  
18 for that Article, unless that person elects under subsection  
19 (b) of Section 1-161 to instead receive the benefits provided  
20 under this Section and the applicable provisions of that  
21 Article.

22 This Section does not apply to a person who elects under  
23 subsection (c-5) of Section 1-161 to receive the benefits  
24 under Section 1-161.

25 This Section does not apply to a person who first becomes a  
26 member or participant of an affected pension fund on or after 6



1 months after the resolution or ordinance date, as defined in  
2 Section 1-162, unless that person elects under subsection (c)  
3 of Section 1-162 to receive the benefits provided under this  
4 Section and the applicable provisions of the Article under  
5 which he or she is a member or participant.

6 (b) "Final average salary" means the average monthly (or  
7 annual) salary obtained by dividing the total salary or  
8 earnings calculated under the Article applicable to the member  
9 or participant during the 96 consecutive months (or 8  
10 consecutive years) of service within the last 120 months (or  
11 10 years) of service in which the total salary or earnings  
12 calculated under the applicable Article was the highest by the  
13 number of months (or years) of service in that period. For the  
14 purposes of a person who first becomes a member or participant  
15 of any retirement system or pension fund to which this Section  
16 applies on or after January 1, 2011, in this Code, "final  
17 average salary" shall be substituted for the following:

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

20 (2) In Articles 8, 9, 10, 11, and 12, "highest average  
21 annual salary for any 4 consecutive years within the last  
22 10 years of service immediately preceding the date of  
23 withdrawal".

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

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

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

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

3           (b-5) Beginning on January 1, 2011, for all purposes under  
4           this Code (including without limitation the calculation of  
5           benefits and employee contributions), the annual earnings,  
6           salary, or wages (based on the plan year) of a member or  
7           participant to whom this Section applies shall not exceed  
8           \$106,800; however, that amount shall annually thereafter be  
9           increased by the lesser of (i) 3% of that amount, including all  
10          previous adjustments, or (ii) one-half the annual unadjusted  
11          percentage increase (but not less than zero) in the consumer  
12          price index-u for the 12 months ending with the September  
13          preceding each November 1, including all previous adjustments.

14          For the purposes of this Section, "consumer price index-u"  
15          means the index published by the Bureau of Labor Statistics of  
16          the United States Department of Labor that measures the  
17          average change in prices of goods and services purchased by  
18          all urban consumers, United States city average, all items,  
19          1982-84 = 100. The new amount resulting from each annual  
20          adjustment shall be determined by the Public Pension Division  
21          of the Department of Insurance and made available to the  
22          boards of the retirement systems and pension funds by November  
23          1 of each year.

24          (c) A member or participant is entitled to a retirement  
25          annuity upon written application if he or she has attained age  
26          67 (age 65, with respect to service under Article 12 that is

1 subject to this Section, for a member or participant under  
2 Article 12 who first becomes a member or participant under  
3 Article 12 on or after January 1, 2022 or who makes the  
4 election under item (i) of subsection (d-15) of this Section)  
5 ~~(beginning January 1, 2015, age 65 with respect to service~~  
6 ~~under Article 12 of this Code that is subject to this Section)~~  
7 and has at least 10 years of service credit and is otherwise  
8 eligible under the requirements of the applicable Article.

9 A member or participant who has attained age 62 (age 60,  
10 with respect to service under Article 12 that is subject to  
11 this Section, for a member or participant under Article 12 who  
12 first becomes a member or participant under Article 12 on or  
13 after January 1, 2022 or who makes the election under item (i)  
14 of subsection (d-15) of this Section) ~~(beginning January 1,~~  
15 ~~2015, age 60 with respect to service under Article 12 of this~~  
16 ~~Code that is subject to this Section)~~ and has at least 10 years  
17 of service credit and is otherwise eligible under the  
18 requirements of the applicable Article may elect to receive  
19 the lower retirement annuity provided in subsection (d) of  
20 this Section.

21 (c-5) A person who first becomes a member or a participant  
22 subject to this Section on or after July 6, 2017 (the effective  
23 date of Public Act 100-23), notwithstanding any other  
24 provision of this Code to the contrary, is entitled to a  
25 retirement annuity under Article 8 or Article 11 upon written  
26 application if he or she has attained age 65 and has at least

1 10 years of service credit and is otherwise eligible under the  
2 requirements of Article 8 or Article 11 of this Code,  
3 whichever is applicable.

4 (d) The retirement annuity of a member or participant who  
5 is retiring after attaining age 62 (age 60, with respect to  
6 service under Article 12 that is subject to this Section, for a  
7 member or participant under Article 12 who first becomes a  
8 member or participant under Article 12 on or after January 1,  
9 2022 or who makes the election under item (i) of subsection  
10 (d-15) of this Section) ~~(beginning January 1, 2015, age 60~~  
11 ~~with respect to service under Article 12 of this Code that is~~  
12 ~~subject to this Section)~~ with at least 10 years of service  
13 credit shall be reduced by one-half of 1% for each full month  
14 that the member's age is under age 67 (age 65, with respect to  
15 service under Article 12 that is subject to this Section, for a  
16 member or participant under Article 12 who first becomes a  
17 member or participant under Article 12 on or after January 1,  
18 2022 or who makes the election under item (i) of subsection  
19 (d-15) of this Section) ~~(beginning January 1, 2015, age 65~~  
20 ~~with respect to service under Article 12 of this Code that is~~  
21 ~~subject to this Section).~~

22 (d-5) The retirement annuity payable under Article 8 or  
23 Article 11 to an eligible person subject to subsection (c-5)  
24 of this Section who is retiring at age 60 with at least 10  
25 years of service credit shall be reduced by one-half of 1% for  
26 each full month that the member's age is under age 65.

1 (d-10) Each person who first became a member or  
2 participant under Article 8 or Article 11 of this Code on or  
3 after January 1, 2011 and prior to the effective date of this  
4 amendatory Act of the 100th General Assembly shall make an  
5 irrevocable election either:

6 (i) to be eligible for the reduced retirement age  
7 provided in subsections (c-5) and (d-5) of this Section,  
8 the eligibility for which is conditioned upon the member  
9 or participant agreeing to the increases in employee  
10 contributions for age and service annuities provided in  
11 subsection (a-5) of Section 8-174 of this Code (for  
12 service under Article 8) or subsection (a-5) of Section  
13 11-170 of this Code (for service under Article 11); or

14 (ii) to not agree to item (i) of this subsection  
15 (d-10), in which case the member or participant shall  
16 continue to be subject to the retirement age provisions in  
17 subsections (c) and (d) of this Section and the employee  
18 contributions for age and service annuity as provided in  
19 subsection (a) of Section 8-174 of this Code (for service  
20 under Article 8) or subsection (a) of Section 11-170 of  
21 this Code (for service under Article 11).

22 The election provided for in this subsection shall be made  
23 between October 1, 2017 and November 15, 2017. A person  
24 subject to this subsection who makes the required election  
25 shall remain bound by that election. A person subject to this  
26 subsection who fails for any reason to make the required

1 election within the time specified in this subsection shall be  
2 deemed to have made the election under item (ii).

3 (d-15) Each person who first becomes a member or  
4 participant under Article 12 on or after January 1, 2011 and  
5 prior to January 1, 2022 shall make an irrevocable election  
6 either:

7 (i) to be eligible for the reduced retirement age  
8 specified in subsections (c) and (d) of this Section, the  
9 eligibility for which is conditioned upon the member or  
10 participant agreeing to the increase in employee  
11 contributions for service annuities specified in  
12 subsection (b) of Section 12-150; or

13 (ii) to not agree to item (i) of this subsection  
14 (d-15), in which case the member or participant shall not  
15 be eligible for the reduced retirement age specified in  
16 subsections (c) and (d) of this Section and shall not be  
17 subject to the increase in employee contributions for  
18 service annuities specified in subsection (b) of Section  
19 12-150.

20 The election provided for in this subsection shall be made  
21 between January 1, 2022 and April 1, 2022. A person subject to  
22 this subsection who makes the required election shall remain  
23 bound by that election. A person subject to this subsection  
24 who fails for any reason to make the required election within  
25 the time specified in this subsection shall be deemed to have  
26 made the election under item (ii).

1 (e) Any retirement annuity or supplemental annuity shall  
2 be subject to annual increases on the January 1 occurring  
3 either on or after the attainment of age 67 (age 65, with  
4 respect to service under Article 12 that is subject to this  
5 Section, for a member or participant under Article 12 who  
6 first becomes a member or participant under Article 12 on or  
7 after January 1, 2022 or who makes the election under item (i)  
8 of subsection (d-15); ~~beginning January 1, 2015, age 65 with~~  
9 ~~respect to service under Article 12 of this Code that is~~  
10 ~~subject to this Section~~ and beginning on the effective date of  
11 this amendatory Act of the 100th General Assembly, age 65 with  
12 respect to service under Article 8 or Article 11 for eligible  
13 persons who: (i) are subject to subsection (c-5) of this  
14 Section; or (ii) made the election under item (i) of  
15 subsection (d-10) of this Section) or the first anniversary of  
16 the annuity start date, whichever is later. Each annual  
17 increase shall be calculated at 3% or one-half the annual  
18 unadjusted percentage increase (but not less than zero) in the  
19 consumer price index-u for the 12 months ending with the  
20 September preceding each November 1, whichever is less, of the  
21 originally granted retirement annuity. If the annual  
22 unadjusted percentage change in the consumer price index-u for  
23 the 12 months ending with the September preceding each  
24 November 1 is zero or there is a decrease, then the annuity  
25 shall not be increased.

26 For the purposes of Section 1-103.1 of this Code, the

1 changes made to this Section by this amendatory Act of the  
2 102nd General Assembly are applicable without regard to  
3 whether the employee was in active service on or after the  
4 effective date of this amendatory Act of the 102nd General  
5 Assembly.

6 For the purposes of Section 1-103.1 of this Code, the  
7 changes made to this Section by this amendatory Act of the  
8 100th General Assembly are applicable without regard to  
9 whether the employee was in active service on or after the  
10 effective date of this amendatory Act of the 100th General  
11 Assembly.

12 (f) The initial survivor's or widow's annuity of an  
13 otherwise eligible survivor or widow of a retired member or  
14 participant who first became a member or participant on or  
15 after January 1, 2011 shall be in the amount of 66 2/3% of the  
16 retired member's or participant's retirement annuity at the  
17 date of death. In the case of the death of a member or  
18 participant who has not retired and who first became a member  
19 or participant on or after January 1, 2011, eligibility for a  
20 survivor's or widow's annuity shall be determined by the  
21 applicable Article of this Code. The initial benefit shall be  
22 66 2/3% of the earned annuity without a reduction due to age. A  
23 child's annuity of an otherwise eligible child shall be in the  
24 amount prescribed under each Article if applicable. Any  
25 survivor's or widow's annuity shall be increased (1) on each  
26 January 1 occurring on or after the commencement of the



1 annuity if the deceased member died while receiving a  
2 retirement annuity or (2) in other cases, on each January 1  
3 occurring after the first anniversary of the commencement of  
4 the annuity. Each annual increase shall be calculated at 3% or  
5 one-half the annual unadjusted percentage increase (but not  
6 less than zero) in the consumer price index-u for the 12 months  
7 ending with the September preceding each November 1, whichever  
8 is less, of the originally granted survivor's annuity. If the  
9 annual unadjusted percentage change in the consumer price  
10 index-u for the 12 months ending with the September preceding  
11 each November 1 is zero or there is a decrease, then the  
12 annuity shall not be increased.

13 (g) The benefits in Section 14-110 apply only if the  
14 person is a State policeman, a fire fighter in the fire  
15 protection service of a department, a conservation police  
16 officer, an investigator for the Secretary of State, an arson  
17 investigator, a Commerce Commission police officer,  
18 investigator for the Department of Revenue or the Illinois  
19 Gaming Board, a security employee of the Department of  
20 Corrections or the Department of Juvenile Justice, or a  
21 security employee of the Department of Innovation and  
22 Technology, as those terms are defined in subsection (b) and  
23 subsection (c) of Section 14-110. A person who meets the  
24 requirements of this Section is entitled to an annuity  
25 calculated under the provisions of Section 14-110, in lieu of  
26 the regular or minimum retirement annuity, only if the person

1 has withdrawn from service with not less than 20 years of  
2 eligible creditable service and has attained age 60,  
3 regardless of whether the attainment of age 60 occurs while  
4 the person is still in service.

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

19 If a person who first becomes a member of a retirement  
20 system or pension fund subject to this Section on or after  
21 January 1, 2012 and is receiving a retirement annuity or  
22 retirement pension under that system or fund and accepts on a  
23 contractual basis a position to provide services to a  
24 governmental entity from which he or she has retired, then  
25 that person's annuity or retirement pension earned as an  
26 active employee of the employer shall be suspended during that

1 contractual service. A person receiving an annuity or  
2 retirement pension under this Code shall notify the pension  
3 fund or retirement system from which he or she is receiving an  
4 annuity or retirement pension, as well as his or her  
5 contractual employer, of his or her retirement status before  
6 accepting contractual employment. A person who fails to submit  
7 such notification shall be guilty of a Class A misdemeanor and  
8 required to pay a fine of \$1,000. Upon termination of that  
9 contractual employment, the person's retirement annuity or  
10 retirement pension payments shall resume and, if appropriate,  
11 be recalculated under the applicable provisions of this Code.

12 (i) (Blank).

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

16 (Source: P.A. 100-23, eff. 7-6-17; 100-201, eff. 8-18-17;  
17 100-563, eff. 12-8-17; 100-611, eff. 7-20-18; 100-1166, eff.  
18 1-4-19; 101-610, eff. 1-1-20.)

19 (40 ILCS 5/12-130) (from Ch. 108 1/2, par. 12-130)

20 Sec. 12-130. Retirement prior to age 60. An employee  
21 withdrawing prior to January 1, 1990 with at least 10 years of  
22 service and before attainment of age 55 shall be entitled at  
23 his option to a retirement annuity beginning at age 55.

24 An employee withdrawing prior to January 1, 1990 with at  
25 least 10 years of service upon or after attainment of age 55,

1 and before age 60, shall be entitled to a retirement annuity  
2 beginning at any time thereafter.

3 An employee who withdraws on or after January 1, 1990 ~~and~~  
4 ~~has attained age 45 before January 1, 2015~~ with at least 10  
5 years of service and prior to age 60 shall be entitled, at his  
6 option, to a retirement annuity beginning at any time after  
7 withdrawal or attainment of age 50, whichever occurs later. ~~An~~  
8 ~~employee who has not attained age 45 before January 1, 2015 and~~  
9 ~~withdraws on or after that date with at least 10 years of~~  
10 ~~service and prior to age 60 shall be entitled, at his option,~~  
11 ~~to a retirement annuity beginning at any time after withdrawal~~  
12 ~~or attainment of age 58, whichever occurs later.~~

13 ~~Notwithstanding Section 1-103.1, the changes to this~~  
14 ~~Section made by this amendatory Act of the 98th General~~  
15 ~~Assembly apply regardless of whether the employee was in~~  
16 ~~active service on or after the effective date of this~~  
17 ~~amendatory Act, but do not apply to a person whose service~~  
18 ~~under this Article is subject to Section 1-160.~~

19 Any employee upon withdrawal after at least 15 years of  
20 service, upon or after attainment of age 50, and before  
21 attainment of age 55, who received ordinary disability benefit  
22 for the maximum period of time provided herein, and who  
23 continues to be disabled, shall be entitled to a retirement  
24 annuity.

25 The amount of retirement annuity for any employee who  
26 entered service prior to July 1, 1971 shall be provided from

1 the total of the accumulations as stated in this Section, at  
2 the employee's attained age on the date of retirement:

3 (a) the accumulation from employee contributions for  
4 service annuity on the date of withdrawal, improved by  
5 regular interest from the date the employee withdraws to  
6 the date he enters upon annuity;

7 (b) 1/10 of the accumulation, on the date of  
8 withdrawal, from employer contributions for service  
9 annuity, for each complete year of service above 10 years  
10 up to 100% of such accumulation, improved by regular  
11 interest from the date the employee withdraws to the date  
12 he enters upon annuity.

13 (Source: P.A. 86-272; 86-1028.)

14 (40 ILCS 5/12-133.1) (from Ch. 108 1/2, par. 12-133.1)

15 Sec. 12-133.1. Annual increase in basic retirement  
16 annuity.

17 (a) Any employee upon withdrawal from service on or after  
18 July 1, 1965, and retiring on a retirement annuity, shall be  
19 entitled to an annual increase in his basic retirement annuity  
20 as defined herein while he is in receipt of such annuity.

21 The term "basic retirement annuity" shall mean the  
22 retirement annuity of the amount fixed and payable at date of  
23 retirement of the employee.

24 (b) The annual increase in annuity shall be 1 1/2% of the  
25 basic retirement annuity. The increase shall first occur in

1 the month of January or the month of July, whichever first  
2 occurs next following or coincidental with the first  
3 anniversary of retirement. Effective January 1, 1972, the  
4 annual rate of increase in annuity thereafter shall be 2% of  
5 the basic retirement annuity, provided that beginning as of  
6 January 1, 1976, the annual rate of increase shall be 3% of the  
7 basic retirement annuity.

8 ~~(b 1) Notwithstanding subsection (b), all automatic annual~~  
9 ~~increases payable under this Section on or after January 1,~~  
10 ~~2015 shall be calculated at 3% or one half the annual~~  
11 ~~unadjusted percentage increase (but not less than 0) in the~~  
12 ~~Consumer Price Index U for the 12 months ending with the~~  
13 ~~September preceding each November 1, whichever is less, of the~~  
14 ~~originally granted retirement annuity.~~

15 ~~For the purposes of this Article, "Consumer Price Index U"~~  
16 ~~means the index published by the Bureau of Labor Statistics of~~  
17 ~~the United States Department of Labor that measures the~~  
18 ~~average change in prices of goods and services purchased by~~  
19 ~~all urban consumers, United States city average, all items,~~  
20 ~~1982-84 = 100. The new amount resulting from each annual~~  
21 ~~adjustment shall be determined by the Public Pension Division~~  
22 ~~of the Department of Insurance.~~

23 ~~Notwithstanding Section 1-103.1, this subsection (b 1) is~~  
24 ~~applicable without regard to whether the employee was in~~  
25 ~~active service on or after the effective date of this~~  
26 ~~amendatory Act of the 98th General Assembly. This subsection~~

1 ~~(b-1) is also applicable to any former employee who on or after~~  
2 ~~the effective date of this amendatory Act of the 98th General~~  
3 ~~Assembly is receiving a retirement annuity pursuant to the~~  
4 ~~provisions of this Section.~~

5 ~~(b-2) Notwithstanding any other provision of this Article,~~  
6 ~~no automatic annual increase in retirement annuity payable~~  
7 ~~under this Section shall be granted to any person by the Fund~~  
8 ~~in 2015, 2017, and 2019 under this Article or under Section~~  
9 ~~1-160 of this Code as it applies to this Article. In the years~~  
10 ~~2016, 2018, 2020, and thereafter, the Fund shall continue to~~  
11 ~~pay amounts accruing from automatic annual increases in the~~  
12 ~~manner provided by this Code.~~

13 ~~Notwithstanding Section 1-103.1, this subsection (b-2) is~~  
14 ~~applicable without regard to whether the employee was in~~  
15 ~~active service on or after the effective date of this~~  
16 ~~amendatory Act of the 98th General Assembly. This subsection~~  
17 ~~(b-2) is also applicable to any former employee who on or after~~  
18 ~~the effective date of this amendatory Act of the 98th General~~  
19 ~~Assembly is receiving a retirement annuity pursuant to the~~  
20 ~~provisions of this Article.~~

21 (c) For an employee who retires with less than 30 years of  
22 service, the increase in the basic retirement annuity shall  
23 begin not earlier than in the month of January or the month of  
24 July, whichever occurs first, following or coincidental with  
25 the employee's attainment of age 60.

26 For ~~Subject to the provisions of subsection (b-2), for an~~

1 employee who retires with at least 30 years of service, the  
2 annual increase under this Section shall begin in the month of  
3 January or the month of July, whichever first occurs next  
4 following or coincidental with the later of (1) the first  
5 anniversary of retirement or (2) July 1, 1998, without regard  
6 to the attainment of age 60 and without regard to whether or  
7 not the employee was in service on or after the effective date  
8 of this amendatory Act of 1998.

9 (d) The increase in the basic retirement annuity shall not  
10 be applicable unless the employee otherwise qualified has made  
11 contributions to the fund as provided herein for an equivalent  
12 period of one full year. If such contributions were not made,  
13 the employee may make the required payment to the fund at the  
14 time of retirement, in a single sum, without interest.

15 (e) The additional contributions by an employee towards  
16 the annual increase in basic retirement annuity shall not be  
17 refundable, except to an employee who withdraws and applies  
18 for a refund under this Article, or dies while in service, and  
19 also in cases where a temporary annuity becomes payable. In  
20 such cases his contributions shall be refunded without  
21 interest.

22 (Source: P.A. 90-766, eff. 8-14-98.)

23 (40 ILCS 5/12-133.2) (from Ch. 108 1/2, par. 12-133.2)

24 Sec. 12-133.2. Increases to employee annuitants. ~~The~~  
25 ~~provisions of subsections (b 1) and (b 2) of Section 12 133.1~~



1 ~~also apply to the benefits provided under this Section.~~

2 Employees who retired on service retirement annuity prior  
3 to July 1, 1965 who were at least 55 years of age at date of  
4 retirement and had at least 20 years of credited service, who  
5 shall have attained age 65, and any employee retired on or  
6 after such date who meets such qualifying conditions and who  
7 is not eligible for an annual increase in basic retirement  
8 annuity otherwise provided in this Article, shall be entitled  
9 to receive benefits under this Section.

10 These benefits shall be in an amount equal to 1 1/2% of the  
11 service retirement annuity multiplied by the number of full  
12 years that the annuitant was in receipt of such annuity. This  
13 payment shall begin in January of 1970, and an additional 1  
14 1/2% based upon the original grant of annuity shall be added in  
15 January of each year thereafter. Beginning January 1, 1972,  
16 the annual rate of increase in annuity shall be 2% of the  
17 original grant of annuity and shall also apply thereafter to  
18 any person who shall have had at least 15 years of credited  
19 service and less than 20 years on the same basis as was  
20 applicable to persons retired with 20 or more years of  
21 service; provided that beginning January 1, 1976, the annual  
22 rate of increase in retirement annuity shall be 3% of the basic  
23 retirement annuity.

24 An employee annuitant who otherwise qualifies for the  
25 aforesaid benefit shall make a one-time contribution of 1% of  
26 the final monthly average salary multiplied by the number of

1 completed years of service forming the basis of his service  
2 retirement annuity, provided that if the annuity was computed  
3 on any other basis, the contribution shall be 1% of the rate of  
4 monthly salary in effect on the date of retirement multiplied  
5 by the number of completed years of service forming the basis  
6 of his service retirement annuity.

7 (Source: P.A. 87-1265.)

8 (40 ILCS 5/12-140) (from Ch. 108 1/2, par. 12-140)

9 Sec. 12-140. Duty disability benefit. An employee who  
10 becomes disabled as the direct result of injury incurred in  
11 the performance of an act of duty and cannot perform the duties  
12 of the regularly assigned position, is entitled to receive,  
13 while so disabled, a benefit of 75% of the salary at the date  
14 when such duty disability benefits commence, subject to the  
15 conditions hereinafter stated, ~~except that beginning January~~  
16 ~~1, 2015, such duty disability benefits shall be reduced to 74%~~  
17 ~~of that salary; beginning January 1, 2017, such duty~~  
18 ~~disability benefits shall be reduced to 73% of that salary;~~  
19 ~~and beginning January 1, 2019, such duty disability benefits~~  
20 ~~shall be reduced to 72% of that salary.~~

21 In the event an employee returns to service from any duty  
22 disability and renders actual employment in pay status  
23 performing the duties of the regularly assigned position for  
24 at least 60 days, and again becomes disabled, whether due to  
25 the previous disability or a new disability, the salary to be

1 used in the computation of the benefit shall be the salary in  
2 effect at the date of the last day of service prior to the  
3 latest disability.

4 The employee shall also receive a further benefit of \$20  
5 per month on account of each eligible minor child as  
6 prescribed in Section 12-137, but the combined benefit to  
7 employee and children shall not exceed the annual salary at  
8 the date of such disability less the sums that would be  
9 deducted from his salary for service annuity and spouse's  
10 service annuity.

11 The benefit prescribed herein shall be payable during  
12 disability until the employee attains age 65, if disability is  
13 incurred before age 60, or for a period of 5 years if  
14 disability is incurred at age 60 or older. If the disability is  
15 incurred after age 65, this 5 year period may be reduced if  
16 such reduction can be justified on the basis of actuarial cost  
17 data approved by the board upon the recommendation of the  
18 actuary. At such time if the employee remains disabled the  
19 employee may retire on a retirement annuity.

20 If an employee dies as the direct result of injury  
21 incurred in the performance of an act of duty, or if death  
22 results from any cause which is compensable under the Workers'  
23 Occupational Diseases Act, a surviving spouse shall be  
24 entitled to a benefit (subject to the modifications stated in  
25 Section 12-141) of 50% of the employee's salary as it was at  
26 the date of injury resulting in death, until the date when the

1 employee would have attained age 65, if injury was incurred  
2 under age 60, or for a period of 5 years if disability is  
3 incurred at age 60 or older. After such date, the spouse shall  
4 be entitled to receive the reversionary annuity that would  
5 have been fixed had the employee continued in service at the  
6 rate of salary received at the date of his injury resulting in  
7 death, until the employee attained age 65 or as stated herein  
8 and had then retired.

9 If a spouse remarries while under age 55 while in receipt  
10 of a benefit under this section, the benefit shall terminate.  
11 Such termination shall be final and shall not be affected by  
12 any change thereafter in his or her marital status.

13 ~~Notwithstanding Section 1-103.1, the changes to this~~  
14 ~~Section made by this amendatory Act of the 98th General~~  
15 ~~Assembly apply to duty disability benefits payable on or after~~  
16 ~~January 1, 2015, regardless of whether the recipient is deemed~~  
17 ~~to be in service on or after the effective date of this~~  
18 ~~amendatory Act.~~

19 (Source: P.A. 86-272.)

20 (40 ILCS 5/12-149) (from Ch. 108 1/2, par. 12-149)

21 Sec. 12-149. Financing.

22 (a) ~~(a)~~ The board of park commissioners of any such park  
23 district shall annually levy a tax (in addition to the taxes  
24 now authorized by law) upon all taxable property embraced in  
25 the district, at the rate which, when added to the employee

1 contributions under this Article and applied to the fund  
2 created hereunder, shall be sufficient to provide for the  
3 purposes of this Article in accordance with the provisions  
4 thereof. Such tax shall be levied and collected with and in  
5 like manner as the general taxes of such district, and shall  
6 not in any event be included within any limitations of rate for  
7 general park purposes as now or hereafter provided by law, but  
8 shall be excluded therefrom and be in addition thereto.

9 The amount of such annual tax to and including the year  
10 1977 shall not exceed .0275% of the value, as equalized or  
11 assessed by the Department of Revenue, of all taxable property  
12 embraced within the park district, provided that for the year  
13 1978, and for each year thereafter, the amount of such annual  
14 tax shall be at a rate on the dollar of assessed valuation of  
15 all taxable property that will produce, when extended, for the  
16 year 1978 the following sum: 0.825 times the amount of  
17 employee contributions during the fiscal year 1976; for the  
18 year 1979, 0.85 times the amount of employee contributions  
19 during the fiscal year 1977; for the year 1980, 0.90 times the  
20 amount of employee contributions during the fiscal year 1978;  
21 for the year 1981, 0.95 times the amount of employee  
22 contributions during the fiscal year 1979; for the year 1982,  
23 1.00 times the amount of employee contributions during the  
24 fiscal year 1980; for the year 1983, 1.05 times the amount of  
25 contributions made on behalf of employees during the fiscal  
26 year 1981; and for the year 1984 and each year thereafter

1 through the year ~~2019~~ 2013, an amount equal to 1.10 times the  
2 employee contributions during the fiscal year 2-years prior to  
3 the year for which the applicable tax is levied. Beginning in  
4 levy year 2020, and in each year thereafter, the levy shall not  
5 exceed the amount of the Park District's total required  
6 contribution to the Fund for the next payment year, as  
7 determined under this subsection. Beginning payment year 2021,  
8 the Park District's required annual contribution shall be as  
9 follows: ~~For the year 2014, this calculation shall be 1.10~~  
10 ~~times the amount of employee contributions during the 12 month~~  
11 ~~fiscal year ending June 30, 2012; and for the year 2015, this~~  
12 ~~calculation shall be 1.70 times the amount of employee~~  
13 ~~contributions during the 12-month fiscal year ending December~~  
14 ~~31, 2013. For the year 2016, this calculation shall be an~~  
15 ~~amount equal to 1.70 times; for the years 2017 and 2018, this~~  
16 ~~calculation shall be an amount equal to 2.30 times; and for the~~  
17 ~~year 2019 and each year thereafter, until the Fund attains a~~  
18 ~~funded ratio of at least 90% with the funded ratio being the~~  
19 ~~ratio of the actuarial value of assets to the total actuarial~~  
20 ~~liability, this calculation shall be an amount equal to 2.90~~  
21 ~~times the employee contributions during the fiscal year 2~~  
22 ~~years prior to the year for which the applicable tax is levied.~~  
23 ~~Beginning in the fiscal year in which the Fund attains a~~  
24 ~~funding ratio of at least 90%, the contribution shall be the~~  
25 ~~lesser of (1) 2.90 times the employee contributions during the~~  
26 ~~fiscal year 2 years prior to the year for which the applicable~~

1 ~~tax is levied, or (2) the amount needed to maintain a funded~~  
2 ~~ratio of 90%.~~

3 For payment year 2021, the Park District's required annual  
4 contribution to the Fund shall be one-fourth of the amount, as  
5 determined by an actuary retained by the Fund, equal to the sum  
6 of (i) the Park District's portion of the projected normal  
7 cost for that fiscal year, plus (ii) an amount determined by an  
8 actuary retained by the Fund, using a 35-year period starting  
9 on December 31, 2020 with the entry age normal actuarial cost  
10 method, that is sufficient to bring the total actuarial assets  
11 of the Fund up to 100% of the total actuarial accrued  
12 liabilities of the Fund by the end of 2055.

13 For payment year 2022, the Park District's required annual  
14 contribution to the Fund shall be one-half of the amount, as  
15 determined by an actuary retained by the Fund, equal to the sum  
16 of (i) the Park District's portion of the projected normal  
17 cost for that fiscal year, plus (ii) an amount determined by an  
18 actuary retained by the Fund, using a 35-year period starting  
19 on December 31, 2021 with the entry age normal actuarial cost  
20 method, that is sufficient to bring the total actuarial assets  
21 of the Fund up to 100% of the total actuarial accrued  
22 liabilities of the Fund by the end of 2056.

23 For payment year 2023, the Park District's required annual  
24 contribution to the Fund shall be three-fourths of the amount,  
25 as determined by an actuary retained by the Fund, equal to the  
26 sum of (i) the Park District's portion of the projected normal

1 cost for that fiscal year, plus (ii) an amount determined by an  
2 actuary retained by the Fund, using a 35-year period starting  
3 on December 31, 2022 with the entry age normal actuarial cost  
4 method, that is sufficient to bring the total actuarial assets  
5 of the Fund up to 100% of the total actuarial accrued  
6 liabilities of the Fund by the end of 2057.

7 For payment years 2024 through 2058, the Park District's  
8 required annual contribution to the Fund shall be the amount,  
9 as determined by an actuary retained by the Fund, equal to the  
10 sum of (i) the Park District's portion of the projected normal  
11 cost for that fiscal year, plus (ii) an amount determined by an  
12 actuary retained by the Fund, using a 35-year period starting  
13 on December 31, 2023 with the entry age normal actuarial cost  
14 method, that is sufficient to bring the total actuarial assets  
15 of the Fund up to 100% of the total actuarial accrued  
16 liabilities of the Fund by the end of 2058.

17 For payment year 2059 and each year thereafter, the Park  
18 District's required annual contribution to the Fund shall be  
19 the amount, as determined by an actuary retained by the Fund,  
20 if any, needed to bring the total actuarial assets of the Fund  
21 up to 100% of the total actuarial accrued liabilities of the  
22 Fund, using the entry age normal actuarial cost method, as of  
23 the end of the year.

24 In making determinations under this subsection, any  
25 actuarial gains or losses from investment returns that differ  
26 from the expected investment returns incurred in a fiscal year



1 shall be recognized in equal annual amounts over the 5-year  
2 period following the fiscal year.

3 As used in this Section, "payment year" means the year  
4 immediately following the levy year.

5 (b) In addition to the contributions required under the  
6 other provisions of this Article, no later than November 1,  
7 2021 the employer shall contribute \$40,000,000 to the Fund.  
8 The additional employer contributions required under this  
9 subsection (b) are intended to decrease the unfunded liability  
10 of the Fund and shall not decrease the amount of the employer  
11 contributions required under the other provisions of this  
12 Article. The additional employer contributions made under this  
13 subsection (b) may be used by the Fund for any of its lawful  
14 purposes. In addition to the contributions required under the  
15 other provisions of this Article, by November 1 of the  
16 following specified years, the employer shall contribute to  
17 the Fund the following specified amounts: \$12,500,000 in 2015;  
18 \$12,500,000 in 2016; and \$50,000,000 in 2019. The additional  
19 employer contributions required under this subsection (a) are  
20 intended to decrease the unfunded liability of the Fund and  
21 shall not decrease the amount of the employer contributions  
22 required under the other provisions of this Article. The  
23 additional employer contributions made under this subsection  
24 (a) may be used by the Fund for any of its lawful purposes.

25 (c) ~~(b)~~ As used in this Section, the term "employee  
26 contributions" means contributions by employees for retirement

1 annuity, spouse's annuity, automatic increase in retirement  
2 annuity, and death benefit.

3 In making required contributions under this Section, the  
4 employer may, in lieu of levying all or a portion of the tax  
5 required under this Section, deposit an amount not less than  
6 the required amount of employer contributions derived from any  
7 source legally available for that purpose. ~~In making required~~  
8 ~~contributions under this Section, the employer may, in lieu of~~  
9 ~~levying all or a portion of the tax required under this~~  
10 ~~Section, deposit an amount not less than the required amount~~  
11 ~~of employer contributions derived from any source legally~~  
12 ~~available for that purpose.~~

13 (d) ~~(e)~~ In respect to park district employees, other than  
14 policemen, who are transferred to the employment of a city by  
15 virtue of the "Exchange of Functions Act of 1957", the  
16 corporate authorities of the city shall annually levy a tax  
17 upon all taxable property embraced in the city, as equalized  
18 or assessed by the Department of Revenue, at such rate per cent  
19 of the value of such property as shall be sufficient, when  
20 added to the amounts deducted from the salary or wages of such  
21 employees, to provide the benefits to which such employees,  
22 their dependents and beneficiaries are entitled under the  
23 provisions of this Article. The park district shall not levy a  
24 tax hereunder in respect to such employees. The tax levied by  
25 the city under authority of this Article shall be in addition  
26 to and exclusive of all other taxes authorized by law to be

1 levied by the city for corporate, annuity fund or other  
2 purposes.

3 (e) ~~(d)~~ All moneys accruing from the levy and collection  
4 of taxes, pursuant to this section, shall be remitted to the  
5 board by the employers as soon as they are received. Where a  
6 city has levied a tax pursuant to this Section in respect to  
7 park district employees transferred to the employment of a  
8 city, the treasurer of such city or other authorized officer  
9 shall remit the moneys accruing from the levy and collection  
10 of such tax as soon as they are received. Such remittances  
11 shall be made upon a pro rata share basis, whereby each  
12 employer shall pay to the board such employer's proportionate  
13 percentage of each payment of taxes received by it, according  
14 to the ratio which its tax levy for this fund bears to the  
15 total tax levy of such employer.

16 (f) ~~(e)~~ Should any board of park commissioners included  
17 under the provisions of this Article be without authority to  
18 levy the tax provided in this Section the corporation  
19 authorities (meaning the supervisor, clerk and assessor) of  
20 the town or towns for which such board shall be the board of  
21 park commissioners shall levy such tax.

22 (g) ~~(f)~~ Employer contributions to the Fund may be reduced  
23 by \$5,000,000 for calendar years 2004 and 2005.

24 (Source: P.A. 97-973, eff. 8-16-12.)

25 (40 ILCS 5/12-150) (from Ch. 108 1/2, par. 12-150)

1           Sec. 12-150. Contributions by employees for service  
2 annuity.

3           (a) From each payment of salary to a present employee  
4 beginning August 4, 1961, and prior to September 1, 1971,  
5 there shall be deducted as contributions for service annuity  
6 6% of such payment. Beginning September 1, 1971, the deduction  
7 shall be 6 1/2% of salary. ~~Beginning January 1, 2015, the~~  
8 ~~deduction shall be 8% of salary. Beginning January 1, 2017,~~  
9 ~~the deduction shall be 9% of salary. Beginning January 1,~~  
10 ~~2019, the deduction shall be 10% of salary.~~ These  
11 contributions shall continue until the amounts thus deducted  
12 will provide an accumulation, at regular interest, at least  
13 equal to the amount that would be provided on such date from  
14 employee contributions, assuming regular interest to such  
15 date, if such employee had been contributing in accordance  
16 with the provisions of "The 1919 Act" and this Article from the  
17 beginning of his service and the salary of the employee during  
18 his prior service was the same as it was on July 1, 1919, or on  
19 July 1, 1937 in the case of an employee of the board.

20           (b) From each payment of salary to a future entrant  
21 beginning August 4, 1961, and prior to September 1, 1971,  
22 there shall be deducted as contributions for service annuity  
23 6% of such payment. Beginning September 1, 1971, the deduction  
24 shall be 6 1/2% of salary. Beginning January 1, 1990, the  
25 deduction shall be 7% of salary, except that the deduction  
26 shall be 9% of salary for a person who first becomes an

1 employee on or after January 1, 2022 or who makes the election  
2 under item (i) of subsection (d-15) of Section 1-160.  
3 ~~Beginning January 1, 2015, the deduction shall be 8% of~~  
4 ~~salary. Beginning January 1, 2017, the deduction shall be 9%~~  
5 ~~of salary. Beginning January 1, 2019, the deduction shall be~~  
6 ~~10% of salary. Beginning with the first pay period on or after~~  
7 ~~the date when the funded ratio of the Fund is first determined~~  
8 ~~to have reached the 90% funding goal, and each pay period~~  
9 ~~thereafter for as long as the Fund maintains a funding ratio of~~  
10 ~~90% or more, employee contributions shall be 8.5% of salary~~  
11 ~~for the service annuity. If the funding ratio falls below 90%,~~  
12 ~~then employee contributions for the service annuity shall~~  
13 ~~revert to 10% of salary until such time as the Fund once again~~  
14 ~~is determined to have reached the 90% funding goal, at which~~  
15 ~~time the 8.5% of salary employee contribution for the service~~  
16 ~~annuity shall resume.~~

17 (c) For service rendered prior to August 4, 1961, the  
18 rates of contribution by employees for service annuity shall  
19 be as follows: July 1, 1919 to July 20, 1947, inclusive, 4% of  
20 salary; July 21, 1947 to August 3, 1961, inclusive, 5% of  
21 salary.

22 For the period from July 1, 1919, to August 4, 1961 such  
23 deductions for a present employee shall continue until such  
24 date as the amounts deducted will provide an accumulation at  
25 least equal to that which would be provided on such date,  
26 assuming regular interest to such date, from deductions from

1 salary of such employee if such employee had been under the  
2 provisions of "The 1919 Act" and this Article from the  
3 beginning of his service and the salary of such employee  
4 during his period of prior service was the same as it was on  
5 July 1, 1919 or on July 1, 1937 in the case of an employee of  
6 the board.

7 (d) Any employee shall have the option to contribute for  
8 service annuity an amount, together with regular interest,  
9 equal to the difference between the amount he had accumulated  
10 in the fund on June 30, 1947, from contributions at the rate of  
11 4% of salary, together with regular interest, and the amount  
12 he would have accumulated, together with regular interest, if  
13 he had made contributions at the rate of 5% of salary. All such  
14 contributions shall be subject to salary limitations and other  
15 conditions in effect prior to July 1, 1947. Upon making such  
16 contribution the employer of such employee shall contribute in  
17 the ratio of 2 to 1 with such employee.

18 (Source: P.A. 86-272.)

19 Section 20. (a) Public Act 98-622 added Section 12-195 to  
20 the Illinois Pension Code. Section 97 of Public Act 98-622  
21 provided:

22 The changes made by this amendatory Act are  
23 inseverable, except that Section 12-195 of the Illinois  
24 Pension Code is severable under Section 1.31 of the  
25 Statute on Statutes.

1 (b) On March 1, 2018, the Circuit Court of Cook County  
2 entered a Memorandum and Order in David Biedron, et al. v. Park  
3 Employees' and Retirement Board Employees' Annuity and Benefit  
4 Fund, et al., case number 15 CH 14869. The Memorandum and  
5 Order, inter alia, held:

6 The legislative history of Public Act 098-0622 is  
7 clear that its purpose was to establish a comprehensive  
8 scheme to reform the Fund and enable it to achieve  
9 long-term financial stability. (District's MSJ. Ex, B). It  
10 is clear from the Act itself and the legislative history  
11 that the provisions of the Act were intended to work  
12 together to achieve this purpose. Section 12-195, the sole  
13 remaining provision of the Act, cannot by itself  
14 accomplish the General Assembly's purpose in enacting  
15 Public Act 098-0622. The invalidation of every provision  
16 of the Act except §12-195 severely undercuts the General  
17 Assembly's purpose in enacting Public Act 098-0622 and,  
18 therefore, §12-195 is also inseverable.

19 Based on Public Act 098-0622's severability provision  
20 and Illinois case law, the unchallenged sections of Public  
21 Act 098-0622 are not severable and the entire Act must be  
22 declared void. Plaintiffs are entitled to a declaration  
23 that Public Act 098-0622 is unconstitutional and  
24 unenforceable in its entirety under the Pension Clause.

25 An Agreed Order was entered in that case on January 8, 2019  
26 to resolve certain matters.

1           (c) The purpose of the reenactment of Section 12-195 of  
2 the Illinois Pension Code in Section 20 of this Act is to  
3 remove any question as to the validity or content of Section  
4 12-195 of the Illinois Pension Code. This Act is not intended  
5 to supersede any other Public Act that amends the text of  
6 Section 12-195 of the Illinois Pension Code.

7           Section 25. Section 12-195 of the Illinois Pension Code is  
8 reenacted as follows:

9           (40 ILCS 5/12-195)

10          Sec. 12-195. Application and expiration of new benefit  
11 increases.

12          (a) As used in this Section, "new benefit increase" means  
13 an increase in the amount of any benefit provided under this  
14 Article, or an expansion of the conditions of eligibility for  
15 any benefit under this Article, that results from an amendment  
16 to this Code that takes effect after the effective date of this  
17 amendatory Act of the 98th General Assembly.

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

23          (c) The Public Act enacting a new benefit increase must  
24 identify and provide for payment to the Fund of additional



1 funding at least sufficient to fund the resulting annual  
2 increase in cost to the Fund as it accrues.

3 Every new benefit increase is contingent upon the General  
4 Assembly providing the additional funding required under this  
5 subsection (c). The State Actuary shall analyze whether  
6 adequate additional funding has been provided for the new  
7 benefit increase. A new benefit increase created by a Public  
8 Act that does not include the additional funding required  
9 under this subsection (c) is null and void. If the State  
10 Actuary determines that the additional funding provided for a  
11 new benefit increase under this subsection (c) is or has  
12 become inadequate, it may so certify to the Governor and the  
13 State Comptroller and, in the absence of corrective action by  
14 the General Assembly, the new benefit increase shall expire at  
15 the end of the fiscal year in which the certification is made.

16 (Source: P.A. 98-622, eff. 6-1-14.)

17 (40 ILCS 5/12-150.5 rep.)

18 (40 ILCS 5/12-155.5 rep.)

19 Section 30. The Illinois Pension Code is amended by  
20 repealing Sections 12-150.5 and 12-155.5.

21 Section 90. The State Mandates Act is amended by adding  
22 Section 8.45 as follows:

23 (30 ILCS 805/8.45 new)

1       Sec. 8.45. Exempt mandate. Notwithstanding Sections 6 and  
2       8 of this Act, no reimbursement by the State is required for  
3       the implementation of any mandate created by this amendatory  
4       Act of the 102nd General Assembly.

5       Section 99. Effective date. This Act takes effect upon  
6       becoming law.