

1. 0.8% of the member's average final compensation that is not in excess of the Social Security integration level; and

2. 1.5% of the member's average final compensation that exceeds the Social Security integration level; and

(ii) If a member has less than 30 years of eligibility service, not including the credit described in paragraph (4) of this section of this Act, and is less than 62 years old, the member's retirement allowance computed under subparagraph (i) of this paragraph shall be:

1. Reduced by the lesser of 0.5% for each month by which the member's date of retirement precedes the date the member would be 62 years old or 42%; and

2. Increased by the lesser of 18% or the amount of the reduction under sub-subparagraph 1 of this subparagraph;

(7) The Board of Trustees:

(i) May adopt regulations to carry out this section of this Act; and

(ii) May not accept an application for retirement under this section of this Act that is filed with the State Retirement Agency after 5:00 p.m. on June 30, 1997;

(8) A member who retires under this section of this Act may not receive a basic allowance that exceeds the member's average final compensation; and

(9) If the member dies prior to the effective date of retirement, an application to retire in accordance with the provisions of this section of this Act shall be void and of no effect, and the benefits payable on the member's account shall be computed as if the application had not been filed.

SECTION 3. AND BE IT FURTHER ENACTED, That:

(1) A retiree who retires under this Act may not become reemployed in a temporary or contractual position with the State, unless the reemployment is approved by the Board of Public Works;

(2) If a retiree who retires under this Act is reemployed in a permanent, temporary, or contractual position with a participating employer, the retiree's retirement allowance shall be reduced by the amount that the sum of the retiree's annual compensation and the retiree's annual basic allowance at the time of retirement, including the incentive provided by this Act, exceeds the average final compensation used to compute the basic allowance;

(3) No more than 2% of the total number of employees retiring under this Act may be reemployed in a contractual or temporary position in any branch of State government;

(4) The Board of Public Works may not approve the reemployment in a temporary or contractual position of an employee who retires under this Act, if that