



100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

HB4544

by Rep. Kathleen Willis

SYNOPSIS AS INTRODUCED:

40 ILCS 5/1-109.3
30 ILCS 805/8.42 new

Amends the General Provisions Article of the Illinois Pension Code. Provides that a trustee of a downstate police or firefighter pension fund must complete, within the first 2 years (instead of within the first year) after the trustee takes office (instead of after the trustee is elected or appointed), at least 8 hours of training covering fiduciary duties and liabilities and trustee ethics. Requires a trustee to complete an additional 16 hours of continuing trustee education during the 2 years following the date by which the trustee must complete the initial training and every 2 years thereafter. Provides that at least 4 hours of training during each year must be devoted to fiduciary duties and liabilities and trustee ethics. Provides that at least 8 hours of the biennial training required must be in the form of a live lecture or classroom training forum or, if taken online, must meet certain other requirements. Specifies that the balance of biennial trustee training may take the form of participation in other training opportunities incident to the functioning of the pension board, such as participation in board hearings on the award of disability or other benefits or training opportunities associated with other organizations or employment that are applicable to the duties of a pension fund trustee. Amends the State Mandates Act to require implementation without reimbursement. Effective immediately.

LRB100 16894 RPS 32035 b

FISCAL NOTE ACT
MAY APPLY

PENSION IMPACT
NOTE ACT MAY
APPLY

STATE MANDATES
ACT MAY REQUIRE
REIMBURSEMENT

A BILL FOR

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 Illinois Pension Code is amended by changing
5 Section 1-109.3 as follows:

6 (40 ILCS 5/1-109.3)

7 Sec. 1-109.3. Training requirement for pension trustees.

8 (a) All elected and appointed trustees under Article 3 and
9 4 of this Code must participate in a mandatory trustee
10 certification training seminar that consists of at least 32
11 hours of initial trustee certification at a training facility
12 that is accredited and affiliated with a State of Illinois
13 certified college or university. This training must include
14 without limitation all of the following:

15 (1) Duties and liabilities of a fiduciary under Article
16 1 of the Illinois Pension Code.

17 (2) Adjudication of pension claims.

18 (3) Basic accounting and actuarial training.

19 (4) Trustee ethics.

20 (5) The Illinois Open Meetings Act.

21 (6) The Illinois Freedom of Information Act.

22 The training required under this subsection (a) must be
23 completed within the first 2 years after the ~~year that a~~

1 trustee takes office ~~is elected or appointed~~ under an Article 3
2 or 4 pension fund. At least 8 hours of training during the
3 first year of training must cover fiduciary duties and
4 liabilities and trustee ethics. The elected and appointed
5 trustees of an Article 3 or 4 pension fund who are police
6 officers (as defined in Section 3-106 of this Code) or
7 firefighters (as defined in Section 4-106 of this Code) or are
8 employed by the municipality shall be permitted time away from
9 their duties to attend such training without reduction of
10 accrued leave or benefit time. Active or appointed trustees
11 serving on the effective date of this amendatory Act of the
12 96th General Assembly shall not be required to attend the
13 training required under this subsection (a).

14 (b) Upon completion of and in ~~in~~ addition to the initial
15 trustee certification training required under subsection (a),
16 all elected and appointed trustees under Article 3 and 4 of
17 this Code, ~~including trustees serving on the effective date of~~
18 ~~this amendatory Act of the 96th General Assembly,~~ shall also
19 complete at least an additional ~~participate in a minimum of~~ 16
20 hours of continuing trustee education during (i) the 2 years
21 following the date by which the training required under
22 subsection (a) must be completed and (ii) every 2 years
23 thereafter. At least 4 hours of training during each year must
24 be devoted to fiduciary duties and liabilities and trustee
25 ethics. At least 8 hours of the biennial training required
26 under this subsection (b) must be in the form of a live lecture

1 or classroom training forum or, if taken in an online training
2 program, must be in an interactive form with ascertainable
3 verification of participation and learning by the trustee in
4 the online training program. The balance of biennial trustee
5 training may take the form of participation in other training
6 opportunities incident to the functioning of the pension board,
7 such as participation in board hearings on the award of
8 disability or other benefits or training opportunities
9 associated with other organizations or employment that are
10 applicable to the duties of a pension fund trustee ~~each year~~
11 ~~after the first year that the trustee is elected or appointed.~~

12 (c) The training required under this Section shall be paid
13 for by the pension fund.

14 (d) Any board member who does not timely complete the
15 training required under this Section is not eligible to serve
16 on the board of trustees of an Article 3 or 4 pension fund,
17 unless the board member completes the missed training within 6
18 months after the date the member failed to complete the
19 required training. In the event of a board member's failure to
20 complete the required training, a successor shall be appointed
21 or elected, as applicable, for the unexpired term. A successor
22 who is elected under such circumstances must be elected at a
23 special election called by the board and conducted in the same
24 manner as a regular election under Article 3 or 4, as
25 applicable.

26 (Source: P.A. 96-429, eff. 8-13-09.)

1 Section 90. The State Mandates Act is amended by adding
2 Section 8.42 as follows:

3 (30 ILCS 805/8.42 new)

4 Sec. 8.42. Exempt mandate. Notwithstanding Sections 6 and 8
5 of this Act, no reimbursement by the State is required for the
6 implementation of any mandate created by this amendatory Act of
7 the 100th General Assembly.

8 Section 99. Effective date. This Act takes effect upon
9 becoming law.