

1 AN ACT concerning local government.

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

4 Section 5. The Local Government Wage Increase Transparency
5 Act is amended by changing Section 5 as follows:

6 (50 ILCS 155/5)

7 Sec. 5. Disclosure of certain wage increases made to
8 employees under Article 7 of the Illinois Pension Code.

9 (a) This Section applies only to a participating employee
10 under Article 7 of the Illinois Pension Code (IMRF) who began
11 participation before January 1, 2011 and who is not subject to
12 a collective bargaining agreement with respect to the
13 employment upon which the participation is based.

14 (b) The definitions in Article 7 of the Illinois Pension
15 Code also apply to this Section.

16 As used in this Section, "disclosable payment" means a
17 payment, whether in the form of an increase in the rate of
18 earnings or a lump-sum payment, that:

19 (1) would be made by a participating employer to a
20 participating employee after the employee has expressed to
21 the employer his or her intent to retire or withdraw from
22 service;

23 (2) would have the effect of increasing the employee's

1 reportable monthly earnings from that employer by more than
2 6% compared to the previous month; and

3 (3) would be made between 12 months and 90 days prior
4 to the employee's expected termination of service.

5 "Disclosable payment" also includes accumulated sick
6 leave.

7 However, "disclosable payment" does not include a refund of
8 contributions or any payment required to be paid by State or
9 federal law.

10 (c) A disclosable payment shall not be made or payable
11 unless the governing body of that participating employer has
12 first discussed the specific payment to be made at a meeting
13 open to the public and posted and held in accordance with the
14 requirements of the Open Meetings Act. At the meeting, the
15 governing body shall, at a minimum, disclose (1) the identity
16 of the employee, (2) the purpose and amount of the increase or
17 payment, (3) the proposed retirement date, (4) the effect of
18 the payment upon the expected retirement annuity of the
19 employee, and (5) the effect of the payment upon the liability
20 of the employer to the Article 7 Fund.

21 (d) The determination of whether the disclosable payment is
22 permissible under this Section shall rest exclusively with the
23 employer.

24 (e) A participating employer may not make a disclosable
25 payment to an employee in a manner inconsistent with this
26 Section. This Section is a denial and limitation of home rule

1 powers and functions under subsection (h) of Section 6 of
2 Article VII of the Illinois Constitution.

3 (Source: P.A. 99-646, eff. 7-28-16.)

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