

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 Sections 3-110.11 and 5-237.5 as follows:

6 (40 ILCS 5/3-110.11)

7 Sec. 3-110.11. Transfer of creditable service from Article
8 5 fund. For a period of 180 ~~60~~ days after the effective date of
9 this amendatory Act of the 98th General Assembly ~~Section~~, a
10 person may transfer to a fund established under this Article up
11 to 10 years of creditable service accumulated under Article 5
12 of this Code upon payment to the fund of an amount to be
13 determined by the board, equal to (i) the difference between
14 the amount of employee and employer contributions transferred
15 to the fund under Section 5-237.5 and the amounts that would
16 have been contributed had such contributions been made at the
17 rates applicable to an employee under this Article, plus (ii)
18 interest thereon at the actuarially assumed rate, compounded
19 annually, from the date of service to the date of payment, plus
20 (iii) if the board determines that the amount transferred is
21 less than the true cost to the Fund of allowing that creditable
22 service to be established, then in order to establish that
23 creditable service, the member must pay to the Fund an

1 additional contribution equal to the difference, as determined
2 by the board in accordance with the rules and procedures
3 adopted under this Section. If the member does not make the
4 full additional payment as required by this Section prior to
5 termination of his or her participation with that employer,
6 then his or her creditable service shall be reduced by an
7 amount equal to the difference between the amount transferred
8 under Section 3-110.3, including any payments made by the
9 member under this paragraph prior to termination, and the true
10 cost to the Fund of allowing that creditable service to be
11 established, as determined by the board in accordance with the
12 rules and procedures adopted under this Section.

13 The board shall establish by rule the manner of making the
14 calculation required under this Section, taking into account
15 the appropriate actuarial assumptions, the member's service,
16 age, and salary history, and any other factors that the board
17 determines to be relevant.

18 (Source: P.A. 97-326, eff. 8-12-11.)

19 (40 ILCS 5/5-237.5)

20 Sec. 5-237.5. Transfer of creditable service to Article 3
21 fund.

22 (a) Any person who is an active participant in a pension
23 fund established under Article 3 of this Code may, for a period
24 of 60 days after the effective date of this amendatory Act of
25 the 98th General Assembly Section, apply for transfer of his or

1 her credits and creditable service accumulated in this Fund to
2 that Article 3 fund. Upon receipt of a written application to
3 make this transfer, the Fund shall pay to the Article 3 fund an
4 amount consisting of:

5 (1) the amounts credited to the applicant through
6 employee contributions, plus accumulated interest; plus

7 (2) an amount representing municipality contributions,
8 equal to the amount determined under item (1); plus

9 (3) any interest paid to the Fund in order to reinstate
10 credits and creditable service under subsection (b).

11 Participation in this Fund shall terminate on the date of the
12 transfer.

13 (b) As part of a transfer under subsection (a), a person
14 may reinstate credits and creditable service that was
15 terminated upon receipt of a refund, by paying to the Fund the
16 amount of the refund plus interest thereon at the actuarially
17 assumed rate, compounded annually, from the date of the refund
18 to the date of payment.

19 (Source: P.A. 97-326, eff. 8-12-11.)

20 Section 90. The State Mandates Act is amended by adding
21 Section 8.37 as follows:

22 (30 ILCS 805/8.37 new)

23 Sec. 8.37. Exempt mandate. Notwithstanding Sections 6 and 8
24 of this Act, no reimbursement by the State is required for the

1 implementation of any mandate created by this amendatory Act of
2 the 98th General Assembly.

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