



## 100TH GENERAL ASSEMBLY

### State of Illinois

### 2017 and 2018

### HB3122

by Rep. Anna Moeller

#### SYNOPSIS AS INTRODUCED:

40 ILCS 5/7-137

from Ch. 108 1/2, par. 7-137

40 ILCS 5/7-137.3 new

Amends the Illinois Municipal Retirement Fund (IMRF) Article of the Illinois Pension Code. Provides that a person who holds elected office, except for a member of the governing body of a city, village, incorporated town, or township, shall not be considered a participating employee, unless (1) the person has elected to become a participating employee; (2) the governing body has filed a resolution certifying that a person in that position is expected to work more than 600 hours (or 1,000 hours in a participating municipality that has adopted a specified resolution); and (3) the person has submitted logs evidencing that he or she has met the hourly standard. Requires the resolution to be adopted and filed with the Fund no more than 90 days after each general election. Contains provisions specifying the manner of documenting and submitting the time spent on official government business. Provides that an affected official who fails to submit time sheets or fails to conduct official government business to fulfill the hourly requirement with respect to that position shall not be permitted to continue participation in the Fund as an affected official. Effective immediately.

LRB100 10261 RPS 20447 b

FISCAL NOTE ACT  
MAY APPLY

PENSION IMPACT  
NOTE ACT MAY  
APPLY

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 7-137 and by adding Section 7-137.3 as follows:

6 (40 ILCS 5/7-137) (from Ch. 108 1/2, par. 7-137)

7 Sec. 7-137. Participating and covered employees.

8 (a) The persons described in this paragraph (a) shall be  
9 included within and be subject to this Article and eligible to  
10 benefits from this fund, beginning upon the dates hereinafter  
11 specified:

12 1. Except as to the employees specifically excluded  
13 under the provisions of this Article, all persons who are  
14 employees of any municipality (or instrumentality thereof)  
15 or participating instrumentality on the effective date of  
16 participation of the municipality or participating  
17 instrumentality beginning upon such effective date.

18 2. Except as to the employees specifically excluded  
19 under the provisions of this Article, all persons, who  
20 became employees of any participating municipality (or  
21 instrumentality thereof) or participating instrumentality  
22 after the effective date of participation of such  
23 municipality or participating instrumentality, beginning

1 upon the date such person becomes an employee.

2 3. All persons who file notice with the board as  
3 provided in paragraph (b) 2 and 3 of this Section,  
4 beginning upon the date of filing such notice.

5 (b) The following described persons shall not be considered  
6 participating employees eligible for benefits from this fund,  
7 but shall be included within and be subject to this Article  
8 (each of the descriptions is not exclusive but is cumulative):

9 1. Any person who occupies an office or is employed in  
10 a position normally requiring performance of duty during  
11 less than 600 hours a year for a municipality (including  
12 all instrumentalities thereof) or a participating  
13 instrumentality. If a school treasurer performs services  
14 for more than one school district, the total number of  
15 hours of service normally required for the several school  
16 districts shall be considered to determine whether he  
17 qualifies under this paragraph;

18 2. Except as provided in items 2.5, ~~and 2.6, 2.7, and~~  
19 2.8, any person who holds elective office unless he has  
20 elected while in that office in a written notice on file  
21 with the board to become a participating employee;

22 2.5. Except as provided in item 2.6, any person who  
23 holds elective office as a member of a county board,  
24 unless:

25 (i) the person was first elected as a member of a  
26 county board before the effective date of this

1           amendatory Act of the 99th General Assembly;

2           (ii) the person has elected while in that office,  
3           in a written notice on file with the board, to become a  
4           participating employee;

5           (iii) the county board has filed the resolution  
6           required by subsection (a) of Section 7-137.2 of this  
7           Article; and

8           (iv) the person has submitted the required time  
9           sheets evidencing that the person has met the hourly  
10          standard as required by subsection (b) of Section  
11          7-137.2 of this Article;

12          2.6. Any person who is an elected member of a county  
13          board and is first so elected on or after the effective  
14          date of this amendatory Act of the 99th General Assembly;

15          2.7. Any person who holds elected office, except for a  
16          member of the governing body of a city, village,  
17          incorporated town, or township, unless:

18               (i) the person was first elected or appointed to  
19               that office before the effective date of this  
20               amendatory Act of the 100th General Assembly;

21               (ii) the person has elected while in that office,  
22               in a written notice on file with the board, to become a  
23               participating employee;

24               (iii) the governing body has filed the resolution  
25               required by subsection (b) of Section 7-137.3; and

26               (iv) the person has submitted the required time

1           sheets evidencing that the person has met the hourly  
2           standard as required by subsection (c) of Section  
3           7-137.3;

4           2.8. Any person who (i) holds elected office, except  
5           for a member of the governing body of a city, village,  
6           incorporated town, or township, and (ii) is first so  
7           elected or appointed on or after the effective date of this  
8           amendatory Act of the 100th General Assembly;

9           3. Any person working for a city hospital unless any  
10          such person, while in active employment, has elected in a  
11          written notice on file with the board to become a  
12          participating employee and notification thereof is  
13          received by the board;

14          4. Any person who becomes an employee after June 30,  
15          1979 as a public service employment program participant  
16          under the federal Comprehensive Employment and Training  
17          Act and whose wages or fringe benefits are paid in whole or  
18          in part by funds provided under such Act;

19          5. Any person who is actively employed by a  
20          municipality on its effective date of participation in the  
21          Fund if that municipality (i) has at least 35 employees on  
22          its effective date of participation; (ii) is located in a  
23          county with at least 2,000,000 inhabitants; and (iii)  
24          maintains an independent defined benefit pension plan for  
25          the benefit of its eligible employees, unless the person  
26          files with the board within 90 days after the

1           municipality's effective date of participation an  
2           irrevocable election to participate.

3           (c) Any person electing to be a participating employee,  
4           pursuant to paragraph (b) of this Section may not change such  
5           election, except as provided in Section 7-137.1.

6           (d) Any employee who occupied the position of school nurse  
7           in any participating municipality on August 8, 1961 and  
8           continuously thereafter until the effective date of the  
9           exercise of the option authorized by this subparagraph, who on  
10          August 7, 1961 was a member of the Teachers' Retirement System  
11          of Illinois, by virtue of certification by the Department of  
12          Registration and Education as a public health nurse, may elect  
13          to terminate participation in this Fund in order to  
14          re-establish membership in such System. The election may be  
15          exercised by filing written notice thereof with the Board or  
16          with the Board of Trustees of said Teachers' Retirement System,  
17          not later than September 30, 1963, and shall be effective on  
18          the first day of the calendar month next following the month in  
19          which the notice was filed. If the written notice is filed with  
20          such Teachers' Retirement System, that System shall  
21          immediately notify this Fund, but neither failure nor delay in  
22          notification shall affect the validity of the employee's  
23          election. If the option is exercised, the Fund shall notify  
24          such Teachers' Retirement System of such fact and transfer to  
25          that system the amounts contributed by the employee to this  
26          Fund, including interest at 3% per annum, but excluding

1 contributions applicable to social security coverage during  
2 the period beginning August 8, 1961 to the effective date of  
3 the employee's election. Participation in this Fund as to any  
4 credits on or after August 8, 1961 and up to the effective date  
5 of the employee's election shall terminate on such effective  
6 date.

7 (e) Any participating municipality or participating  
8 instrumentality, other than a school district or special  
9 education joint agreement created under Section 10-22.31 of the  
10 School Code, may, by a resolution or ordinance duly adopted by  
11 its governing body, elect to exclude from participation and  
12 eligibility for benefits all persons who are employed after the  
13 effective date of such resolution or ordinance and who occupy  
14 an office or are employed in a position normally requiring  
15 performance of duty for less than 1000 hours per year for the  
16 participating municipality (including all instrumentalities  
17 thereof) or participating instrumentality except for persons  
18 employed in a position normally requiring performance of duty  
19 for 600 hours or more per year (i) by such participating  
20 municipality or participating instrumentality prior to the  
21 effective date of the resolution or ordinance and (ii) by a  
22 participating municipality or participating instrumentality,  
23 which had not adopted such a resolution when the person was  
24 employed, and the function served by the employee's position is  
25 assumed by another participating municipality or participating  
26 instrumentality. Notwithstanding the foregoing, a

1 participating municipality or participating instrumentality  
2 which is formed solely to succeed to the functions of a  
3 participating municipality or participating instrumentality  
4 shall be considered to have adopted any such resolution or  
5 ordinance which may have been applicable to the employees  
6 performing such functions. The election made by the resolution  
7 or ordinance shall take effect at the time specified in the  
8 resolution or ordinance, and once effective shall be  
9 irrevocable.

10 (Source: P.A. 99-900, eff. 8-26-16.)

11 (40 ILCS 5/7-137.3 new)

12 Sec. 7-137.3. Participation by certain elected officials.

13 (a) As used in this Section, "affected official" means a  
14 person who (i) holds elected office, except for a member of the  
15 governing body of a city, village, incorporated town, or  
16 township, and (ii) is first so elected or appointed before the  
17 effective date of this amendatory Act of the 100th General  
18 Assembly.

19 (b) An affected official is not eligible to participate in  
20 the Fund with respect to that position unless the governing  
21 body has adopted a resolution, after public debate and in a  
22 form acceptable to the Fund, certifying that persons in that  
23 position are expected to work at least 600 hours annually (or  
24 1000 hours annually in a participating municipality that has  
25 adopted a resolution pursuant to subsection (e) of Section



1 7-137 of this Code). The resolution must be adopted and filed  
2 with the Fund no more than 90 days after each general election.

3 (c) An affected official who participates in the Fund with  
4 respect to that position shall monthly submit, to the  
5 authorized agent or his or her designee, time sheets  
6 documenting the time spent on official government business as  
7 an affected official. The time sheets shall be (1) submitted on  
8 paper or electronically, or both, and (2) maintained by the  
9 participating municipality for 5 years. An affected official  
10 who fails to submit time sheets or fails to conduct official  
11 government business with respect to that position for either  
12 600 hours or 1000 hours (whichever is applicable) annually  
13 shall not be permitted to continue participation in the Fund as  
14 an affected official. The Fund may request that the  
15 participating municipality certify that an affected official  
16 is permitted to continue participation with respect to that  
17 position.

18 This subsection (c) does not affect participation by an  
19 affected official who holds office on the effective date of  
20 this Section with respect to that term of office until 90 days  
21 after the effective date of this Section.

22 Section 99. Effective date. This Act takes effect upon  
23 becoming law.