



## 100TH GENERAL ASSEMBLY

### State of Illinois

2017 and 2018

**HB4823**

by Rep. Michael J. Zalewski

#### SYNOPSIS AS INTRODUCED:

40 ILCS 5/4-109

from Ch. 108 1/2, par. 4-109

30 ILCS 805/8.42 new

Amends the Downstate Firefighter Article of the Illinois Pension Code. Provides that the limit on salary for all purposes under the Code for Tier 2 firefighters shall annually be increased by the lesser of 3%, including all previous adjustments, or the annual unadjusted percentage increase in the consumer price index-u (rather than one-half the annual unadjusted percentage increase in the consumer price index-u) for the 12 months ending with the September preceding each November 1, including all previous adjustments. Amends the State Mandates Act to require implementation without reimbursement. Effective immediately.

LRB100 18797 MJP 34037 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 4-109 as follows:

6 (40 ILCS 5/4-109) (from Ch. 108 1/2, par. 4-109)  
7 Sec. 4-109. Pension.

8 (a) A firefighter age 50 or more with 20 or more years of  
9 creditable service, who is no longer in service as a  
10 firefighter, shall receive a monthly pension of 1/2 the monthly  
11 salary attached to the rank held by him or her in the fire  
12 service at the date of retirement.

13 The monthly pension shall be increased by 1/12 of 2.5% of  
14 such monthly salary for each additional month over 20 years of  
15 service through 30 years of service, to a maximum of 75% of  
16 such monthly salary.

17 The changes made to this subsection (a) by this amendatory  
18 Act of the 91st General Assembly apply to all pensions that  
19 become payable under this subsection on or after January 1,  
20 1999. All pensions payable under this subsection that began on  
21 or after January 1, 1999 and before the effective date of this  
22 amendatory Act shall be recalculated, and the amount of the  
23 increase accruing for that period shall be payable to the

1 pensioner in a lump sum.

2 (b) A firefighter who retires or is separated from service  
3 having at least 10 but less than 20 years of creditable  
4 service, who is not entitled to receive a disability pension,  
5 and who did not apply for a refund of contributions at his or  
6 her last separation from service shall receive a monthly  
7 pension upon attainment of age 60 based on the monthly salary  
8 attached to his or her rank in the fire service on the date of  
9 retirement or separation from service according to the  
10 following schedule:

11 For 10 years of service, 15% of salary;  
12 For 11 years of service, 17.6% of salary;  
13 For 12 years of service, 20.4% of salary;  
14 For 13 years of service, 23.4% of salary;  
15 For 14 years of service, 26.6% of salary;  
16 For 15 years of service, 30% of salary;  
17 For 16 years of service, 33.6% of salary;  
18 For 17 years of service, 37.4% of salary;  
19 For 18 years of service, 41.4% of salary;  
20 For 19 years of service, 45.6% of salary.

21 (c) Notwithstanding any other provision of this Article,  
22 the provisions of this subsection (c) apply to a person who  
23 first becomes a firefighter under this Article on or after  
24 January 1, 2011.

25 A firefighter age 55 or more who has 10 or more years of  
26 service in that capacity shall be entitled at his option to

1 receive a monthly pension for his service as a firefighter  
2 computed by multiplying 2.5% for each year of such service by  
3 his or her final average salary.

4 The pension of a firefighter who is retiring after  
5 attaining age 50 with 10 or more years of creditable service  
6 shall be reduced by one-half of 1% for each month that the  
7 firefighter's age is under age 55.

8 The maximum pension under this subsection (c) shall be 75%  
9 of final average salary.

10 For the purposes of this subsection (c), "final average  
11 salary" means the average monthly salary obtained by dividing  
12 the total salary of the firefighter during the 96 consecutive  
13 months of service within the last 120 months of service in  
14 which the total salary was the highest by the number of months  
15 of service in that period.

16 Beginning on January 1, 2011, for all purposes under this  
17 Code (including without limitation the calculation of benefits  
18 and employee contributions), the annual salary based on the  
19 plan year of a member or participant to whom this Section  
20 applies shall not exceed \$106,800; however, until 2019, that  
21 amount shall annually thereafter be increased by the lesser of  
22 (i) 3% of that amount, including all previous adjustments, or  
23 (ii) one-half the annual unadjusted percentage increase (but  
24 not less than zero) in the consumer price index-u for the 12  
25 months ending with the September preceding each November 1,  
26 including all previous adjustments; however, beginning in

1 2019, that amount shall annually thereafter be increased by the  
2 lesser of (i) 3% of that amount, including all previous  
3 adjustments, or (ii) the annual unadjusted percentage increase  
4 (but not less than zero) in the consumer price index-u for the  
5 12 months ending with the September preceding each November 1,  
6 including all previous adjustments.

7 (Source: P.A. 96-1495, eff. 1-1-11.)

8 Section 90. The State Mandates Act is amended by adding  
9 Section 8.42 as follows:

10 (30 ILCS 805/8.42 new)

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

15 Section 99. Effective date. This Act takes effect upon  
16 becoming law.