100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

HB5342

Introduced 2/16/2018, by Rep. Robert Martwick

SYNOPSIS AS INTRODUCED:

| 40 ILCS 5/6-106 | from | n Ch. 108 | 1/2, | par. | 6-106 |
|----------------------|------|-----------|------|------|-------|
| 40 ILCS 5/6-109 | from | n Ch. 108 | 1/2, | par. | 6-109 |
| 40 ILCS 5/6-111 | from | n Ch. 108 | 1/2, | par. | 6-111 |
| 40 ILCS 5/6-230 new | | | | | |
| 30 ILCS 805/8.42 new | | | | | |

Amends the Chicago Firefighter Article of the Illinois Pension Code. Authorizes a person to participate in the Chicago Firefighter Article if he or she (1) is or was employed and receiving a salary as a fireman, (2) has at least 5 years of service under the Chicago Firefighter Article, (3) is employed in a position covered under a specified provision of the Chicago Municipal Article relating to aldermen and members of the city council, (4) made an election under the Chicago Municipal Article to not receive service credit or be a participant under that Article, and (5) made an election to participate under the Chicago Firefighter Article. Provides that for such a person, "salary" means the lesser of (i) the salary associated with the highest career service rank under the Chicago Firefighter Article or (ii) the actual salary received by that person for service under a specified provision of the Chicago Municipal Article relating to aldermen and members of the city council. Provides that for the purposes of determining employee and employer contributions, the employee and employer shall be responsible for any and all contributions otherwise required if the person was employed as a fireman. Makes conforming changes. Amends the State Mandates Act to require implementation without reimbursement. Effective immediately.

LRB100 20764 RPS 36249 b

FISCAL NOTE ACT MAY APPLY PENSION IMPACT NOTE ACT MAY APPLY STATE MANDATES ACT MAY REQUIRE REIMBURSEMENT HB5342

1

8

AN ACT concerning public employee benefits.

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

Section 5. The Illinois Pension Code is amended by changing
Sections 6-106, 6-109, and 6-111 and by adding Section 6-230 as
follows:

7 (40 ILCS 5/6-106) (from Ch. 108 1/2, par. 6-106)

Sec. 6-106. Fireman. "Fireman": Any person who:

9 (a) was, is, or shall be employed by a city in its fire 10 service as a fireman, fire paramedic, fire engineer, marine 11 engineer, or fire pilot, and whose duty is to participate in 12 the work of controlling and extinguishing fire at the location 13 of any such fire, whether or not he is assigned to fire service 14 other than the actual extinguishing of fire; or

(b) is employed in the fire service of a city on the 15 16 effective date, whose duty shall not be as hereinbefore stated, 17 but who shall then be a contributor to, participant in, or beneficiary of any firemen's pension fund in operation by 18 19 authority of law in such city on said date, unless he applies to the retirement board, within 90 days from the effective 20 21 date, for exemption from the provisions of this Article. Any person who would have been entitled on July 1, 1931 to 22 membership in this fund by reason of the definition of the word 23

| B100 20764 RPS 36249 b |
|------------------------|
| |

"fireman" contained in "An Act to provide for a firemen's pension fund and to create a board of trustees to administer said fund in cities having a population exceeding two hundred thousand (200,000) inhabitants", filed July 14, 1917, as amended, who has not filed with the board prior to July 1, 1941, a written application to be a member shall not be a fireman within the meaning of this Article; or -

8 (c) made the election under Section 6-230.

9 (Source: P.A. 83-780.)

10 (40 ILCS 5/6-109) (from Ch. 108 1/2, par. 6-109)

11 Sec. 6-109. Active fireman.

12 "Active fireman": Any person employed and receiving salary 13 as a fireman. <u>"Active fireman" also includes a person who made</u> 14 the election under Section 6-230 and is serving in a position

15 covered under Section 8-243.

16 (Source: P.A. 78-1242.)

17 (40 ILCS 5/6-111) (from Ch. 108 1/2, par. 6-111)

Sec. 6-111. Salary. "Salary": Subject to Section 6-211, the annual salary of a fireman, as follows:

(a) For age and service annuity, minimum annuity, and
disability benefits, the actual amount of the annual salary,
except as otherwise provided in this Article.

(b) For prior service annuity, widow's annuity, widow's
prior service annuity and child's annuity to and including

August 31, 1957, the amount of the annual salary up to a
 maximum of \$3,000.

3 (c) Except as otherwise provided in Section 6-141.1, for 4 widow's annuity, beginning September 1, 1957, the amount of 5 annual salary up to a maximum of \$6,000.

6 (d) "Salary" means the actual amount of the annual salary 7 attached to the permanent career service rank held by the 8 fireman, except as provided in <u>subsections</u> subsection (e) <u>and</u> 9 <u>(e-5)</u>.

10 (e) In the case of a fireman who holds an exempt position11 above career service rank:

(1) For the purpose of computing employee and city
contributions, "salary" means the actual salary attached
to the exempt rank position held by the fireman.

15 (2) For the purpose of computing benefits: "salary" 16 means the actual salary attached to the exempt rank 17 position held by the fireman, if (i) the contributions specified in Section 6-211 have been made, (ii) the fireman 18 19 has held one or more exempt positions for at least 5 20 consecutive years and has held the rank of battalion chief or field officer for at least 5 years during the exempt 21 22 period, and (iii) the fireman was born before 1955; 23 otherwise, "salary" means the salary attached to the 24 permanent career service rank held by the fireman, as 25 provided in subsection (d).

(e-5) In the case of a person who made the election to

HB5342

26

HB5342

participate under Section 6-230, "salary" means the lesser of (i) the salary associated with the highest career service rank under this Article or (ii) the actual salary received by that person for service in a position covered under Section 8-243.

(f) Beginning on the effective date of this amendatory Act 6 7 of the 93rd General Assembly, and for any prior periods for 8 which contributions have been paid under subsection (q) of this 9 Section, all salary payments made to any active or former 10 fireman who holds or previously held the permanent assigned 11 position or classified career service rank, grade, or position 12 of ambulance commander shall be included as salary for all 13 purposes under this Article.

(q) Any active or former fireman who held the permanent 14 15 assigned position or classified career service rank, grade, or 16 position of ambulance commander may elect to have the full 17 amount of the salary attached to that permanent assigned position or classified career service rank, grade, or position 18 included in the calculation of his or her salary for any period 19 20 during which the fireman held the permanent assigned position or classified career service rank, grade, or position of 21 22 ambulance commander by applying in writing and making all 23 employee and employer contributions, without interest, related 24 to the actual salary payments corresponding to the permanent 25 assigned position or classified career service rank, grade, or 26 position of ambulance commander for all periods beginning on or

1 after January 1, 1995. All applicable contributions must be 2 paid in full to the Fund before January 1, 2006 before the 3 payment of any benefit under this subsection (g) will be made.

Any former fireman or widow of a fireman who (i) held the 4 5 permanent assigned position or classified career service rank, grade, or position of ambulance commander, (ii) is in receipt 6 7 of annuity on the effective date of this amendatory Act of the 8 93rd General Assembly, and (iii) pays to the Fund contributions 9 under this subsection (q) for salary payments at the permanent 10 assigned position or classified career service rank, grade, or 11 position of ambulance commander shall have his or her annuity 12 recalculated to reflect the ambulance commander salary and the 13 resulting increase shall become payable on the next annuity 14 payment date following the date the contribution is received by 15 the Fund.

16 In the case of an active or former fireman who (i) dies 17 before January 1, 2006 without making an election under this subsection and (ii) was eligible to make an election under this 18 subsection at the time of death (or would have been eligible 19 20 had the death occurred after the effective date of this amendatory Act), any surviving spouse, child, or parent of the 21 22 fireman who is eligible to receive a benefit under this Article 23 based on the fireman's salary may make that election and pay the required contributions on behalf of the deceased fireman. 24 25 If the death occurs within the 30 days immediately preceding 26 January 1, 2006, the deadline for application and payment is

1 extended to January 31, 2006.

Any portion of the compensation received for service as an ambulance commander for which the corresponding contributions have not been paid shall not be included in the calculation of salary.

(h) Beginning January 1, 1999, with respect to a fireman 6 7 who is licensed by the State as an Emergency Medical Technician, references in this Article to the fireman's salary 8 9 or the salary attached to or appropriated for the permanent 10 assigned position or classified career service rank, grade, or 11 position of the fireman shall be deemed to include any 12 additional compensation payable to the fireman by virtue of 13 being licensed as an Emergency Medical Technician, as provided 14 under a collective bargaining agreement with the city.

15 (i) Beginning on the effective date of this amendatory Act 16 of the 93rd General Assembly (and for any period prior to that 17 date for which contributions have been paid under subsection (j) of this Section), the salary of a fireman, as calculated 18 19 for any purpose under this Article, shall include any duty 20 availability pay received by the fireman (i) pursuant to a 21 collective bargaining agreement or (ii) pursuant to an 22 appropriation ordinance in an amount equivalent to the amount 23 of duty availability pay received by other firemen pursuant to a collective bargaining agreement, and references in this 24 25 Article to the salary attached to or appropriated for the 26 permanent assigned position or classified career service rank,

1 grade, or position of the fireman shall be deemed to include 2 that duty availability pay.

3 An active or former fireman who received duty (j) availability pay at any time after December 31, 1994 and before 4 5 the effective date of this amendatory Act of the 93rd General Assembly and who either (1) retired during that period or (2)6 had attained age 46 and at least 16 years of service by the 7 8 effective date of this amendatory Act may elect to have that 9 duty availability pay included in the calculation of his or her 10 salary for any portion of that period for which the pay was 11 received, by applying in writing and paying to the Fund, before 12 January 1, 2006, the corresponding employee contribution, 13 without interest.

In the case of an applicant who is receiving an annuity at the time the application and contribution are received by the Fund, the annuity shall be recalculated and the resulting increase shall become payable on the next annuity payment date following the date the contribution is received by the Fund.

In the case of an active or former fireman who (i) dies 19 before January 1, 2006 without making an election under this 20 subsection and (ii) was eligible to make an election under this 21 22 subsection at the time of death (or would have been eligible 23 had the death occurred after the effective date of this 24 amendatory Act), any surviving spouse, child, or parent of the 25 fireman who is eligible to receive a benefit under this Article 26 based on the fireman's salary may make that election and pay

the required contribution on behalf of the deceased fireman. If the death occurs within the 30 days immediately preceding January 1, 2006, the deadline for application and payment is extended to January 31, 2006.

5 Any duty availability pay for which the corresponding 6 employee contribution has not been paid shall not be included 7 in the calculation of salary.

8 (k) The changes to this Section made by this amendatory Act 9 of the 93rd General Assembly are not limited to firemen in 10 service on or after the effective date of this amendatory Act. 11 (Source: P.A. 93-654, eff. 1-16-04.)

12 (40 ILCS 5/6-230 new)

13 <u>Sec. 6-230. Participation by an alderman or member of city</u> 14 council.

15 (a) A person shall be a member under this Article if he or 16 she (1) is or was employed and receiving a salary as a fireman under item (a) of Section 6-106, (2) has at least 5 years of 17 service under this Article, (3) is employed in a position 18 covered under Section 8-243, (4) made an election under Article 19 20 8 to not receive service credit or be a participant under that 21 Article, and (5) made an election to participate under this 22 Article.

(b) For the purposes of determining employee and employer
 contributions under this Article, the employee and employer
 shall be responsible for any and all contributions otherwise

| | HB5342 - 9 - LRB100 20764 RPS 36249 b |
|-----------------------|---|
| 1 2 | required if the person was employed and receiving salary as a fireman under item (a) of Section 6-106. |
| 3 4 | Section 90. The State Mandates Act is amended by adding Section 8.42 as follows: |
| 5 6 7 8 9 | (30 ILCS 805/8.42 new) Sec. 8.42. Exempt mandate. Notwithstanding Sections 6 and 8 of this Act, no reimbursement by the State is required for the implementation of any mandate created by this amendatory Act of the 100th General Assembly. |
| 10 | Section 99. Effective date. This Act takes effect upon |

11 becoming law.