

# SB3019



## 101ST GENERAL ASSEMBLY

### State of Illinois

2019 and 2020

SB3019

Introduced 2/5/2020, by Sen. Robert F. Martwick

#### SYNOPSIS AS INTRODUCED:

40 ILCS 5/15-202

Amends the State Universities Article of the Illinois Pension Code. Provides that as soon as practicable after the effective date of the amendatory Act, the optional defined contribution plan shall provide for an eligible automatic contribution arrangement that permits a withdrawal of default elective contributions in accordance with a specified provision of the Internal Revenue Code of 1986, as amended, and United States Department of Treasury regulations promulgated thereunder. Changes references from "defined contribution benefit" to "defined contribution plan". Effective immediately.

LRB101 19667 RPS 69157 b

FISCAL NOTE ACT  
MAY APPLY

PENSION IMPACT  
NOTE ACT MAY  
APPLY

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 15-202 as follows:

6 (40 ILCS 5/15-202)

7 Sec. 15-202. Optional defined contribution plan benefit.  
8 As soon as practicable after the effective date of this  
9 amendatory Act of the 100th General Assembly, the System shall  
10 offer a defined contribution plan benefit to active members of  
11 the System. The defined contribution plan benefit shall be an  
12 optional benefit to any member who chooses to participate. As  
13 soon as practicable after the effective date of this amendatory  
14 Act of the 101st General Assembly, the defined contribution  
15 plan shall provide for an eligible automatic contribution  
16 arrangement that permits a withdrawal of default elective  
17 contributions in accordance with Section 414(w) of the Internal  
18 Revenue Code of 1986, as amended, and United States Department  
19 of Treasury regulations promulgated thereunder. The defined  
20 contribution plan benefit shall collect optional employee and  
21 optional employer contributions into an account and shall offer  
22 investment options to the participant. The plan benefit under  
23 this Section shall be operated in full compliance with any

1 applicable State and federal laws, and the System shall utilize  
2 generally accepted practices in creating and maintaining the  
3 plan ~~benefit~~ for the best interest of the participants. The  
4 System may use funds from the employee and employer  
5 contributions to defray any and all costs of creating and  
6 maintaining the plan ~~benefit~~. The System shall produce an  
7 annual report on the participation in the plan ~~benefit~~ and  
8 shall make the report public.

9 (Source: P.A. 100-769, eff. 8-10-18.)

10 Section 99. Effective date. This Act takes effect upon  
11 becoming law.