

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  
5 changing Section 5-163 as follows:

6 (40 ILCS 5/5-163) (from Ch. 108 1/2, par. 5-163)

7 Sec. 5-163. Refund - General.

8 (a) A policeman, without regard to his period of service,  
9 ~~who withdraws before age 50, and a policeman with less than 10~~  
10 ~~years of service who withdraws before age 57,~~ is entitled to a  
11 refund of the amount deducted from his salary for age and  
12 service annuity or Tier 2 monthly retirement annuity, for  
13 automatic annual increase in annuity as provided in Section  
14 5-167.1, and for widow's annuity or Tier 2 surviving spouse's  
15 annuity, together with interest at 1-1/2% per year on each  
16 deduction from the date of each deduction until the date of his  
17 withdrawal from the service.

18 (b) Any refund under this Article shall be calculated  
19 based on the policeman's contributions to the fund, less the  
20 amount of any annuity benefit previously received by the  
21 policeman and his beneficiaries. A policeman shall have no  
22 such right of refund if the sum of the annuity benefits the  
23 policeman and his beneficiaries have received exceeds the sum

1 to which the policeman has contributed to the fund. A  
2 ~~policeman may receive a refund until the annuity to which he is~~  
3 ~~entitled has been fixed. Thereafter, he shall have no such~~  
4 ~~right of refund.~~

5 (c) A policeman who withdraws the amount credited to him  
6 surrenders and forfeits all rights to any annuity or other  
7 benefit from the fund, for himself and for any other person or  
8 persons who might otherwise have benefited through him. The  
9 rights so forfeited shall be restored to him, his wife or widow  
10 and his children upon full repayment as provided in Section  
11 5-164.

12 If the policeman subsequently re-enters service before age  
13 57, and has not so repaid in full the amounts refunded the  
14 rights forfeited shall not be restored, but the policeman  
15 shall retain the right (which is also secured to the widow) to  
16 have the period of service represented by the refunds counted  
17 in the compensation of length of service, except as otherwise  
18 provided in Section 5-164.

19 (d) A policeman who has served less than 10 years who has  
20 not received a refund shall have all amounts to his credit for  
21 purposes on the date of his withdrawal improved by interest  
22 while he is out of service until he attains age 57, if he  
23 subsequently re-enters the service and attains a right to  
24 annuity.

25 (e) If a policeman elects to make additional contribution  
26 for past service as provided in Section 5-174 and fails to pay

1 such contributions in full within the time specified in said  
2 section, a refund of the amount so paid, with interest at  
3 1-1/2% per year, compounded annually, shall be refunded as  
4 provided in said section.

5 (f) If a policeman makes contributions in accordance with  
6 the provisions of Section 5-174(b) and subsequently returns to  
7 the position he holds by certification and appointment as the  
8 result of competitive civil service examination, he shall  
9 receive a refund of such contributions, upon application  
10 therefor, together with interest at 1-1/2% per year on each  
11 such deduction from the date it was made to the date of refund.  
12 Application for refund must be made before the annuity to  
13 which he has a right has been fixed.

14 (Source: P.A. 99-905, eff. 11-29-16.)

15 Section 90. The State Mandates Act is amended by adding  
16 Section 8.45 as follows:

17 (30 ILCS 805/8.45 new)

18 Sec. 8.45. Exempt mandate. Notwithstanding Sections 6 and  
19 8 of this Act, no reimbursement by the State is required for  
20 the implementation of any mandate created by this amendatory  
21 Act of the 102nd General Assembly.