

HB1438



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB1438

Introduced 2/17/2021, by Rep. Emanuel Chris Welch

SYNOPSIS AS INTRODUCED:

40 ILCS 5/4-109

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

Amends the Downstate Firefighter Article of the Illinois Pension Code. Makes a technical change in a Section concerning retirement pensions.

LRB102 03454 RPS 13467 b

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
5 changing 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 ~~the~~
11 monthly salary attached to the rank held by him or her in the
12 fire 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 greater of: (i) the average monthly salary
12 obtained by dividing the total salary of the firefighter
13 during the 48 consecutive months of service within the last 60
14 months of service in which the total salary was the highest by
15 the number of months of service in that period; or (ii) the
16 average monthly salary obtained by dividing the total salary
17 of the firefighter during the 96 consecutive months of service
18 within the last 120 months of service in which the total salary
19 was the highest by the number of months of service in that
20 period.

21 Beginning on January 1, 2011, for all purposes under this
22 Code (including without limitation the calculation of benefits
23 and employee contributions), the annual salary based on the
24 plan year of a member or participant to whom this Section
25 applies shall not exceed \$106,800; however, that amount shall
26 annually thereafter be increased by the lesser of (i) 3% of

1 that amount, including all previous adjustments, or (ii) the
2 annual unadjusted percentage increase (but not less than zero)
3 in the consumer price index-u for the 12 months ending with the
4 September preceding each November 1, including all previous
5 adjustments.

6 Nothing in this amendatory Act of the 101st General
7 Assembly shall cause or otherwise result in any retroactive
8 adjustment of any employee contributions.

9 (Source: P.A. 101-610, eff. 1-1-20.)