



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB2976

Introduced 2/19/2021, by Rep. Thomas Morrison

SYNOPSIS AS INTRODUCED:

40 ILCS 5/2-101	from Ch. 108 1/2, par. 2-101
40 ILCS 5/2-105	from Ch. 108 1/2, par. 2-105
40 ILCS 5/2-107	from Ch. 108 1/2, par. 2-107
40 ILCS 5/7-137	from Ch. 108 1/2, par. 7-137
40 ILCS 5/8-113	from Ch. 108 1/2, par. 8-113
40 ILCS 5/8-243	from Ch. 108 1/2, par. 8-243
40 ILCS 5/9-108	from Ch. 108 1/2, par. 9-108

Amends the Illinois Pension Code. In the General Assembly Article, restricts participation in the General Assembly Retirement System to persons who become participants before the effective date of the amendatory Act and provides that, beginning on that date, the System shall not accept any new participants. Makes related changes. In the Illinois Municipal Retirement Fund (IMRF), Chicago Municipal, and Cook County Articles, provides that a person who holds part-time elective office is not an employee, contributor, or participant with respect to that office, unless he or she (i) was elected to that office before the effective date of the amendatory Act and (ii) has elected while in that office to become a contributor. Provides that an elective office shall be presumed to be part-time in the absence of an official job description or determination by the legal advisor of the applicable unit of local government, filed with the Board of the Fund, declaring the elective office to be full-time.

LRB102 14898 RPS 20251 b

FISCAL NOTE ACT
MAY APPLY

PENSION IMPACT
NOTE ACT MAY
APPLY

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 Sections 2-101, 2-105, 2-107, 7-137, 8-113, 8-243,
6 and 9-108 as follows:

7 (40 ILCS 5/2-101) (from Ch. 108 1/2, par. 2-101)

8 Sec. 2-101. Creation of system. A retirement system is
9 created to provide retirement annuities, survivor's annuities
10 and other benefits for certain members of the General
11 Assembly, certain elected state officials, and their
12 beneficiaries.

13 The system shall be known as the "General Assembly
14 Retirement System". All its funds and property shall be a
15 trust separate from all other entities, maintained for the
16 purpose of securing payment of annuities and benefits under
17 this Article.

18 Participation in the retirement system created under this
19 Article is restricted to persons who became participants
20 before the effective date of this amendatory Act of the 102nd
21 General Assembly. Beginning on that date, the System shall not
22 accept any new participants.

23 (Source: P.A. 83-1440.)

1 (40 ILCS 5/2-105) (from Ch. 108 1/2, par. 2-105)

2 Sec. 2-105. Member. "Member": Members of the General
3 Assembly of this State, including persons who enter military
4 service while a member of the General Assembly, and any person
5 serving as Governor, Lieutenant Governor, Secretary of State,
6 Treasurer, Comptroller, or Attorney General for the period of
7 service in such office.

8 Any person who has served for 10 or more years as Clerk or
9 Assistant Clerk of the House of Representatives, Secretary or
10 Assistant Secretary of the Senate, or any combination thereof,
11 may elect to become a member of this system while thenceforth
12 engaged in such service by filing a written election with the
13 board. Any person so electing shall be deemed an active member
14 of the General Assembly for the purpose of validating and
15 transferring any service credits earned under any of the funds
16 and systems established under Articles 3 through 18 of this
17 Code.

18 However, notwithstanding any other provision of this
19 Article, a person shall not be deemed a member for the purposes
20 of this Article unless he or she became a participant of the
21 System before the effective date of this amendatory Act of the
22 102nd General Assembly.

23 (Source: P.A. 85-1008.)

24 (40 ILCS 5/2-107) (from Ch. 108 1/2, par. 2-107)

1 Sec. 2-107. Participant. "Participant": Any member who
2 elects to participate; and any former member who elects to
3 continue participation under Section 2-117.1, for the duration
4 of such continued participation. However, notwithstanding any
5 other provision of this Article, a person shall not be deemed a
6 participant for the purposes of this Article unless he or she
7 became a participant of the System before the effective date
8 of this amendatory Act of the 102nd General Assembly.

9 (Source: P.A. 86-1488.)

10 (40 ILCS 5/7-137) (from Ch. 108 1/2, par. 7-137)

11 Sec. 7-137. Participating and covered employees.

12 (a) The persons described in this paragraph (a) shall be
13 included within and be subject to this Article and eligible to
14 benefits from this fund, beginning upon the dates hereinafter
15 specified:

16 1. Except as to the employees specifically excluded
17 under the provisions of this Article, all persons who are
18 employees of any municipality (or instrumentality thereof)
19 or participating instrumentality on the effective date of
20 participation of the municipality or participating
21 instrumentality beginning upon such effective date.

22 2. Except as to the employees specifically excluded
23 under the provisions of this Article, all persons, who
24 became employees of any participating municipality (or
25 instrumentality thereof) or participating instrumentality

1 after the effective date of participation of such
2 municipality or participating instrumentality, beginning
3 upon the date such person becomes an employee.

4 3. All persons who file notice with the board as
5 provided in paragraph (b) 2 and 3 of this Section,
6 beginning upon the date of filing such notice.

7 (b) The following described persons shall not be
8 considered participating employees eligible for benefits from
9 this fund, but shall be included within and be subject to this
10 Article (each of the descriptions is not exclusive but is
11 cumulative):

12 1. Any person who occupies an office or is employed in
13 a position normally requiring performance of duty during
14 less than 600 hours a year for a municipality (including
15 all instrumentalities thereof) or a participating
16 instrumentality. If a school treasurer performs services
17 for more than one school district, the total number of
18 hours of service normally required for the several school
19 districts shall be considered to determine whether he
20 qualifies under this paragraph;

21 2. Except as provided in items 2.5, 2.6, ~~and 2.7,~~ and
22 2.8, any person who holds elective office, unless he or
23 she has elected while in that office in a written notice on
24 file with the board to become a participating employee;

25 2.5. Except as provided in item 2.6, any person who
26 holds elective office as a member of a county board,

1 unless:

2 (i) the person was first elected as a member of a
3 county board before the effective date of this
4 amendatory Act of the 99th General Assembly;

5 (ii) the person has elected while in that office,
6 in a written notice on file with the board, to become a
7 participating employee;

8 (iii) the county board has filed the resolution
9 required by subsection (a) of Section 7-137.2 of this
10 Article; and

11 (iv) the person has submitted the required time
12 sheets evidencing that the person has met the hourly
13 standard as required by subsection (b) of Section
14 7-137.2 of this Article;

15 2.6. Any person who is an elected member of a county
16 board and is first so elected on or after the effective
17 date of this amendatory Act of the 99th General Assembly;

18 2.7. Any person who holds part-time office as a member
19 of a governing body, whether he or she is elected or
20 appointed, unless he or she (i) was elected or appointed
21 to that office before the effective date of this
22 amendatory Act of the 100th General Assembly and (ii) has
23 elected while in that office in a written notice on file
24 with the board to become a participating employee. An
25 office as a member of a governing body shall be deemed to
26 be part-time if it normally requires the performance of

1 duty during less than 1000 hours a year for the governing
2 body of the participating municipality or instrumentality;

3 2.8. Any person who holds part-time elective office,
4 unless he or she (i) was elected to that office before the
5 effective date of this amendatory Act of the 102nd General
6 Assembly and (ii) has elected while in that office in a
7 written notice on file with the board to become a
8 participating employee. An elective office shall be
9 presumed to be part-time in the absence of an official job
10 description or determination by the legal advisor of the
11 applicable participating municipality or participating
12 instrumentality, filed with the Board, declaring the
13 elective position to be full-time;

14 3. Any person working for a city hospital unless any
15 such person, while in active employment, has elected in a
16 written notice on file with the board to become a
17 participating employee and notification thereof is
18 received by the board;

19 4. Any person who becomes an employee after June 30,
20 1979 as a public service employment program participant
21 under the federal Comprehensive Employment and Training
22 Act and whose wages or fringe benefits are paid in whole or
23 in part by funds provided under such Act;

24 5. Any person who is actively employed by a
25 municipality on its effective date of participation in the
26 Fund if that municipality (i) has at least 35 employees on

1 its effective date of participation; (ii) is located in a
2 county with at least 2,000,000 inhabitants; and (iii)
3 maintains an independent defined benefit pension plan for
4 the benefit of its eligible employees, unless the person
5 files with the board within 90 days after the
6 municipality's effective date of participation an
7 irrevocable election to participate.

8 (c) Any person electing to be a participating employee,
9 pursuant to paragraph (b) of this Section may not change such
10 election, except as provided in Section 7-137.1.

11 (d) Any employee who occupied the position of school nurse
12 in any participating municipality on August 8, 1961 and
13 continuously thereafter until the effective date of the
14 exercise of the option authorized by this subparagraph, who on
15 August 7, 1961 was a member of the Teachers' Retirement System
16 of Illinois, by virtue of certification by the Department of
17 Registration and Education as a public health nurse, may elect
18 to terminate participation in this Fund in order to
19 re-establish membership in such System. The election may be
20 exercised by filing written notice thereof with the Board or
21 with the Board of Trustees of said Teachers' Retirement
22 System, not later than September 30, 1963, and shall be
23 effective on the first day of the calendar month next
24 following the month in which the notice was filed. If the
25 written notice is filed with such Teachers' Retirement System,
26 that System shall immediately notify this Fund, but neither

1 failure nor delay in notification shall affect the validity of
2 the employee's election. If the option is exercised, the Fund
3 shall notify such Teachers' Retirement System of such fact and
4 transfer to that system the amounts contributed by the
5 employee to this Fund, including interest at 3% per annum, but
6 excluding contributions applicable to social security coverage
7 during the period beginning August 8, 1961 to the effective
8 date of the employee's election. Participation in this Fund as
9 to any credits on or after August 8, 1961 and up to the
10 effective date of the employee's election shall terminate on
11 such effective date.

12 (e) Any participating municipality or participating
13 instrumentality, other than a school district or special
14 education joint agreement created under Section 10-22.31 of
15 the School Code, may, by a resolution or ordinance duly
16 adopted by its governing body, elect to exclude from
17 participation and eligibility for benefits all persons who are
18 employed after the effective date of such resolution or
19 ordinance and who occupy an office or are employed in a
20 position normally requiring performance of duty for less than
21 1000 hours per year for the participating municipality
22 (including all instrumentalities thereof) or participating
23 instrumentality except for persons employed in a position
24 normally requiring performance of duty for 600 hours or more
25 per year (i) by such participating municipality or
26 participating instrumentality prior to the effective date of

1 the resolution or ordinance and (ii) by a participating
2 municipality or participating instrumentality, which had not
3 adopted such a resolution when the person was employed, and
4 the function served by the employee's position is assumed by
5 another participating municipality or participating
6 instrumentality. Notwithstanding the foregoing, a
7 participating municipality or participating instrumentality
8 which is formed solely to succeed to the functions of a
9 participating municipality or participating instrumentality
10 shall be considered to have adopted any such resolution or
11 ordinance which may have been applicable to the employees
12 performing such functions. The election made by the resolution
13 or ordinance shall take effect at the time specified in the
14 resolution or ordinance, and once effective shall be
15 irrevocable.

16 (Source: P.A. 99-900, eff. 8-26-16; 100-274, eff. 1-1-18.)

17 (40 ILCS 5/8-113) (from Ch. 108 1/2, par. 8-113)

18 Sec. 8-113. Municipal employee, employee, contributor, or
19 participant. "Municipal employee", "employee", "contributor",
20 or "participant":

21 (a) Any employee of an employer employed in the classified
22 civil service thereof other than by temporary appointment or
23 in a position excluded or exempt from the classified service
24 by the Civil Service Act, or in the case of a city operating
25 under a personnel ordinance, any employee of an employer

1 employed in the classified or career service under the
2 provisions of a personnel ordinance, other than in a
3 provisional or exempt position as specified in such ordinance
4 or in rules and regulations formulated thereunder.

5 (b) Any employee in the service of an employer before the
6 Civil Service Act came in effect for the employer.

7 (c) Any person employed by the board.

8 (d) Any person employed after December 31, 1949, but prior
9 to January 1, 1984, in the service of the employer by temporary
10 appointment or in a position exempt from the classified
11 service as set forth in the Civil Service Act, or in a
12 provisional or exempt position as specified in the personnel
13 ordinance, who meets the following qualifications:

14 (1) has rendered service during not less than 12
15 calendar months to an employer as an employee, officer, or
16 official, 4 months of which must have been consecutive
17 full normal working months of service rendered immediately
18 prior to filing application to be included; and

19 (2) files written application with the board, while in
20 the service, to be included hereunder.

21 (e) After December 31, 1949, any alderman or other officer
22 or official of the employer, who files, while in office,
23 written application with the board to be included hereunder.
24 Notwithstanding any other provision of this Article, however,
25 a person who holds part-time elective city office is not an
26 employee, contributor, or participant with respect to that

1 office, unless he or she (i) was so elected before the
2 effective date of this amendatory Act of the 102nd General
3 Assembly and (ii) has elected while in that office to become a
4 contributor. An elective city office shall be presumed to be
5 part-time in the absence of an official job description or
6 determination by the legal advisor of the city, filed with the
7 board, declaring the elective city office to be full-time.

8 (f) Beginning January 1, 1984, any person employed by an
9 employer other than the Chicago Housing Authority or the
10 Public Building Commission of the city, whether or not such
11 person is serving by temporary appointment or in a position
12 exempt from the classified service as set forth in the Civil
13 Service Act, or in a provisional or exempt position as
14 specified in the personnel ordinance, provided that such
15 person is neither (1) an alderman or other officer or official
16 of the employer, nor (2) participating, on the basis of such
17 employment, in any other pension fund or retirement system
18 established under this Act.

19 (g) After December 31, 1959, any person employed in the
20 law department of the city, or municipal court or Board of
21 Election Commissioners of the city, who was a contributor and
22 participant, on December 31, 1959, in the annuity and benefit
23 fund in operation in the city on said date, by virtue of the
24 Court and Law Department Employees' Annuity Act or the Board
25 of Election Commissioners Employees' Annuity Act.

26 After December 31, 1959, the foregoing definition includes

1 any other person employed or to be employed in the law
2 department, or municipal court (other than as a judge), or
3 Board of Election Commissioners (if his salary is provided by
4 appropriation of the city council of the city and his salary
5 paid by the city) -- subject, however, in the case of such
6 persons not participants on December 31, 1959, to compliance
7 with the same qualifications and restrictions otherwise set
8 forth in this Section and made generally applicable to
9 employees or officers of the city concerning eligibility for
10 participation or membership.

11 Notwithstanding any other provision in this Section, any
12 person who first becomes employed in the law department of the
13 city on or after the effective date of this amendatory Act of
14 the 100th General Assembly shall be included within the
15 foregoing definition, effective upon the date the person first
16 becomes so employed, regardless of the nature of the
17 appointment the person holds under the provisions of a
18 personnel ordinance.

19 (h) After December 31, 1965, any person employed in the
20 public library of the city -- and any other person -- who was a
21 contributor and participant, on December 31, 1965, in the
22 pension fund in operation in the city on said date, by virtue
23 of the Public Library Employees' Pension Act.

24 (i) After December 31, 1968, any person employed in the
25 house of correction of the city, who was a contributor and
26 participant, on December 31, 1968, in the pension fund in

1 operation in the city on said date, by virtue of the House of
2 Correction Employees' Pension Act.

3 (j) Any person employed full-time on or after the
4 effective date of this amendatory Act of the 92nd General
5 Assembly by the Chicago Housing Authority who has elected to
6 participate in this Fund as provided in subsection (a) of
7 Section 8-230.9.

8 (k) Any person employed full-time by the Public Building
9 Commission of the city who has elected to participate in this
10 Fund as provided in subsection (d) of Section 8-230.7.

11 (Source: P.A. 100-23, eff. 7-6-17.)

12 (40 ILCS 5/8-243) (from Ch. 108 1/2, par. 8-243)

13 Sec. 8-243. Service as alderman or member of city council.
14 Whenever any person has served or hereafter serves as a duly
15 elected alderman or member of the city council of any city of
16 more than 500,000 inhabitants and is or hereafter becomes a
17 contributing participant in any pension fund or any annuity
18 and benefit fund in existence in such city by operation of law,
19 the period of service as such alderman or member of the city
20 council shall be counted as a period of service in computing
21 any annuity or pension which such person may become entitled
22 to receive from such fund upon separation from the service,
23 except as ruled out for minimum annuity purposes in Section
24 8-232(a)(3), and except that service in a part-time elective
25 office of the city shall not be counted unless the official was

1 so elected before the effective date of this amendatory Act of
2 the 102nd General Assembly. An elective office shall be
3 presumed to be part-time in the absence of an official job
4 description or determination by the legal advisor of the city,
5 filed with the Board, declaring the elective position to be
6 full-time.

7 (Source: Laws 1963, p. 161.)

8 (40 ILCS 5/9-108) (from Ch. 108 1/2, par. 9-108)

9 Sec. 9-108. "Employee", "contributor" or "participant".

10 (a) Any employee of the county employed in any position in
11 the classified civil service of the county, or in any position
12 under the County Police Merit Board as a deputy sheriff in the
13 County Police Department.

14 Any such employee employed after January 1, 1968 and
15 before January 1, 1984 shall be entitled only to the benefits
16 provided in Sections 9-147 and 9-156, prior to the earlier of
17 completion of 12 consecutive calendar months of service and
18 January 1, 1984, and no contributions shall be made by him
19 during this period. Upon the completion of said period
20 contributions shall begin and the employee shall become
21 entitled to the benefits of this Article.

22 Any such employee may elect to make contributions for such
23 period and receive credit therefor under rules prescribed by
24 the board.

25 Any such employee in service on or after January 1, 1984,

1 regardless of when he became an employee, shall be deemed a
2 participant and contributor to the fund created by this
3 Article and the employee shall be entitled to the benefits of
4 this Article.

5 (b) Any employee of the county employed in any position
6 not included in the classified civil service of the county
7 whose salary or wage is paid in whole or in part by the county.
8 Any such employee employed after July 1, 1957, and before
9 January 1, 1984, shall be entitled only to the benefits
10 provided in Sections 9-147 and 9-156, prior to the earlier of
11 completion of 12 consecutive calendar months of service and
12 January 1, 1984, and no contributions shall be made by him
13 during this period. Upon the completion of said period
14 contributions shall begin and the employee shall become
15 entitled to the benefits of this Article.

16 Any such employee may elect to make contributions for such
17 period and receive credit therefor under rules prescribed by
18 the board.

19 Any such employee in service on or after January 1, 1984,
20 regardless of when he became an employee, shall be deemed a
21 participant and contributor to the fund created by this
22 Article and the employee shall be entitled to the benefits of
23 this Article.

24 (c) Any full-time county officer elected by vote of the
25 people, including a member of the county board, when such
26 officer elects to become a contributor. A person who holds a

1 part-time elective county office is not an employee,
2 contributor, or participant with respect to that office,
3 unless he or she (i) was elected to that office before the
4 effective date of this amendatory Act of the 102nd General
5 Assembly and (ii) has elected while in that office to become a
6 contributor. An elective county office shall be presumed to be
7 part-time in the absence of an official job description or
8 determination by the legal advisor of the county, filed with
9 the Board, declaring the elective county office to be
10 full-time.

11 (d) Any person employed by the board.

12 (e) Employees of a County Department of Public Aid in
13 counties of 3,000,000 or more population who are transferred
14 to State employment by operation of law enacted by the 76th
15 General Assembly and who elect not to become members of the
16 Retirement System established under Article 14 of this Code as
17 of the date they become State employees shall retain their
18 membership in the fund established in this Article 9 until the
19 first day of the calendar month next following the date on
20 which they become State employees, at which time they shall
21 become members of the System established under Article 14.

22 (f) If, by operation of law, a function of a "Governmental
23 Unit", as such term is defined in the "Retirement Systems
24 Reciprocal Act" in Article 20 of the Illinois Pension Code, is
25 transferred in whole or in part to the county in which this
26 Article is in force and effect, and employees are transferred

1 as a group or class to such county service, such transferred
2 employee shall, if on the day immediately prior to the date of
3 such transfer he was a contributor and participant in the
4 annuity and benefit fund or retirement system in operation in
5 such other "Governmental Unit" for employees of such Unit,
6 immediately upon such transfer be deemed a participant and
7 contributor to the fund created by this Article.

8 (Source: P.A. 90-655, eff. 7-30-98.)