



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB3474

Introduced 2/22/2021, by Rep. Michael Halpin and Norine K. Hammond

SYNOPSIS AS INTRODUCED:

40 ILCS 5/7-174

from Ch. 108 1/2, par. 7-174

Amends the Illinois Municipal Retirement Fund (IMRF) Article of the Illinois Pension Code. Provides that a person who meets the criteria to be an executive trustee may not serve as an employee trustee. Effective immediately.

LRB102 02573 RPS 12575 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 7-174 as follows:

6 (40 ILCS 5/7-174) (from Ch. 108 1/2, par. 7-174)

7 Sec. 7-174. Board created.

8 (a) A board of 8 members shall constitute a board of
9 trustees authorized to carry out the provisions of this
10 Article. Each trustee shall be a participating employee of a
11 participating municipality or participating instrumentality or
12 an annuitant of the Fund and no person shall be eligible to
13 become a trustee after January 1, 1979 who does not have the
14 minimum service credit in this Fund to qualify for a pension.

15 (b) The board shall consist of representatives of various
16 groups as follows:

17 1. 4 trustees shall be a chief executive officer,
18 chief finance officer, or other officer, executive or
19 department head of a participating municipality or
20 participating instrumentality, and each such trustee shall
21 be designated as an executive trustee.

22 2. 3 trustees shall be employees of a participating
23 municipality or participating instrumentality and each

1 such trustee shall be designated as an employee trustee. A
2 person who meets the criteria to be an executive trustee
3 may not serve as an employee trustee.

4 3. One trustee shall be an annuitant of the Fund, who
5 shall be designated the annuitant trustee.

6 (c) A person elected as a trustee shall qualify as a
7 trustee, after declaration by the board that he has been duly
8 elected, upon taking and subscribing to the constitutional
9 oath of office and filing same in the office of the Fund.

10 (d) The term of office of each trustee shall begin upon
11 January 1 of the year following the year in which he is elected
12 and shall continue for a period of 5 years and until a
13 successor has been elected and qualified, or until prior
14 resignation, death, incapacity or disqualification.

15 (e) Any elected trustee (other than the annuitant trustee)
16 shall be disqualified immediately upon termination of
17 employment with all participating municipalities and
18 instrumentalities thereof or upon any change in status which
19 removes any such trustee from all employments within the group
20 he represents. The annuitant trustee shall be disqualified
21 upon termination of his or her annuity.

22 (f) The trustees shall fill any vacancy in the board by
23 appointment, for the period until the next election of
24 trustees, or, if the remaining term is less than 2 years, for
25 the remainder of the term, and until his successor has been
26 elected and qualified.

1 (g) Trustees shall serve without compensation, but shall
2 be reimbursed for any reasonable expenses incurred in
3 attending meetings of the board and in performing duties on
4 behalf of the Fund and for the amount of any earnings withheld
5 by any employing municipality or participating instrumentality
6 because of attendance at any board meeting.

7 (h) Each trustee shall be entitled to one vote on any and
8 all actions before the board. At least 5 concurring votes
9 shall be necessary for every decision or action by the board at
10 any of its meetings. No decision or action shall become
11 effective unless presented and so approved at a regular or
12 duly called special meeting of the board.

13 (Source: P.A. 100-139, eff. 8-18-17.)

14 Section 99. Effective date. This Act takes effect upon
15 becoming law.