



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB4681

Introduced 1/21/2022, by Rep. Tony McCombie

SYNOPSIS AS INTRODUCED:

See Index

Amends the Downstate Police and Illinois Municipal Retirement Fund (IMRF) Articles of the Illinois Pension Code. Provides that, within 12 months after the effective date of the amendatory Act, an active IMRF member who is a sheriff's law enforcement employee may apply to transfer up to 5 years of creditable service under the Downstate Police Article to IMRF. Provides that the credits and creditable service shall be transferred upon payment by the police pension fund of a specified amount. Provides that a sheriff's law enforcement employee applying to transfer service under the provisions may reinstate credits and creditable service terminated upon receipt of a refund by paying to the police pension fund the amount of the refund plus interest. Provides that, to establish the credit, the sheriff's law enforcement employee may elect to either pay to IMRF an amount equal to the difference between the amount of employee and employer contributions transferred to IMRF and the amounts that would have been contributed had such contributions been made at the rates applicable to an employee under the IMRF Article, plus interest at a specified rate; or to have the amount of his or her creditable service reduced by an amount corresponding to the amount by which the employer and employee contributions that would have been required if he or she had participated in IMRF during the period for which credit is being transferred, plus interest at a specified rate, exceeds the amount actually transferred to IMRF. Requires a sheriff's law enforcement employee to pay an additional amount under specified circumstances. Makes conforming and other changes. Amends the State Mandates Act to require implementation without reimbursement by the State. Effective immediately.

LRB102 21803 RPS 30923 b

FISCAL NOTE ACT
MAY APPLY

PENSION IMPACT
NOTE ACT MAY
APPLY

STATE MANDATES
ACT MAY REQUIRE
REIMBURSEMENT

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 3-110.8 and by adding Section 7-139.15 as
6 follows:

7 (40 ILCS 5/3-110.8)

8 Sec. 3-110.8. Transfer to IMRF.

9 (a) Within 12 months after the effective date of this
10 amendatory Act of the 102nd General Assembly ~~Until 60 days~~
11 ~~after the effective date of this amendatory Act of the 97th~~
12 ~~General Assembly~~, any active member of the Illinois Municipal
13 Retirement Fund who is a sheriff's law enforcement employee
14 under Article 7 may apply to transfer up to 5 ~~10~~ years of
15 creditable service in a police pension fund under this Article
16 to the Illinois Municipal Retirement Fund. The creditable
17 service shall be transferred upon payment by the police
18 pension fund to the Illinois Municipal Retirement Fund of an
19 amount equal to:

20 (1) the amounts accumulated to the credit of the
21 applicant on the books of the fund on the date of transfer;
22 and

23 (2) employer contributions in an amount equal to the

1 amount determined under subparagraph (1); and
2 (3) any interest paid by the applicant in order to
3 reinstate service.

4 Creditable service transferred to the Illinois Municipal
5 Retirement Fund under this Section shall terminate on the date
6 of the transfer.

7 (b) Within 12 months after the effective date of this
8 amendatory Act of the 102nd General Assembly ~~Until 60 days~~
9 ~~after the effective date of this amendatory Act of the 97th~~
10 ~~General Assembly~~, any active member of the Illinois Municipal
11 Retirement Fund who is a sheriff's law enforcement employee
12 may reinstate all or any portion of his or her service that was
13 terminated by receipt of a refund, by payment to the police
14 pension fund of the amount of the refund with interest thereon
15 at the actuarially assumed rate, compounded annually, from the
16 date of refund to the date of payment.

17 (Source: P.A. 97-273, eff. 8-8-11.)

18 (40 ILCS 5/7-139.15 new)

19 Sec. 7-139.15. Transfer from Article 3.

20 (a) Within 12 months after the effective date of this
21 amendatory Act of the 102nd General assembly, a sheriff's law
22 enforcement employee may transfer to the Illinois Municipal
23 Retirement Fund up to 5 years of creditable service
24 accumulated under Article 3 of this Code. To establish
25 creditable service under this Section, the sheriff's law

1 enforcement employee may elect to do either of the following:

2 (1) pay to the Fund an amount to be determined by the
3 board, equal to (i) the difference between the amount of
4 employee and employer contributions transferred to the
5 Fund under Section 3-110.8 and the amounts that would have
6 been contributed had such contributions been made at the
7 rates applicable to an employee under this Article, plus
8 (ii) interest thereon at the actuarially assumed rate,
9 compounded annually, from the date of service to the date
10 of payment; or

11 (2) have the amount of his or her creditable service
12 established under this Section reduced by an amount
13 corresponding to the amount by which (i) the employer and
14 employee contributions that would have been required if he
15 or she had participated in this Fund during the period for
16 which credit is being transferred, plus interest thereon
17 at the actuarially assumed rate, compounded annually, from
18 the date of termination of the service for which credit is
19 being transferred to the date of payment, exceeds (ii) the
20 amount actually transferred to the Fund.

21 (b) The Illinois Municipal Retirement Fund shall certify
22 either:

23 (1) that the contributions transferred under Section
24 3-110.8 plus the payments under paragraph (1) of
25 subsection (a) or the value of the reduction under
26 paragraph (2) of subsection (a), whichever is applicable,

1 are actuarially sufficient to equal the cost of
2 establishing the creditable service; or

3 (2) an amount equal to the difference between the
4 amount that is actuarially sufficient to equal the cost of
5 establishing the creditable service and the contributions
6 transferred under Section 3-110.8 plus the payments under
7 paragraph (1) of subsection (a) or the value of the
8 reduction under paragraph (2) of subsection (a), whichever
9 is applicable.

10 If the Illinois Municipal Retirement Fund certifies an
11 amount under paragraph (2) of this subsection, the sheriff's
12 law enforcement employee shall pay an additional amount equal
13 to the amount certified under paragraph (2) of this subsection
14 before creditable service may be established under this
15 Section.

16 Section 90. The State Mandates Act is amended by adding
17 Section 8.46 as follows:

18 (30 ILCS 805/8.46 new)

19 Sec. 8.46. Exempt mandate. Notwithstanding Sections 6 and
20 8 of this Act, no reimbursement by the State is required for
21 the implementation of any mandate created by this amendatory
22 Act of the 102nd General Assembly.

23 Section 99. Effective date. This Act takes effect upon
24 becoming law.

1 INDEX

2 Statutes amended in order of appearance

3 40 ILCS 5/3-110.8

4 40 ILCS 5/7-139.15 new

5 30 ILCS 805/8.46 new