



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

SB0603

Introduced 2/24/2021, by Sen. Bill Cunningham

SYNOPSIS AS INTRODUCED:

40 ILCS 5/6-124	from Ch. 108 1/2, par. 6-124
40 ILCS 5/6-124.1	
40 ILCS 5/6-158	from Ch. 108 1/2, par. 6-158
30 ILCS 805/8.45 new	

Amends the Chicago Firefighter Article of the Illinois Pension Code. Provides that when a future entrant who is not subject to the compulsory retirement age withdraws from service and is at least age 63, his or her age and service annuity shall be fixed as of the age he or she withdraws from service. Makes conforming changes. In a provision concerning contribution refunds, removes an age limitation on eligibility for a refund. Amends the State Mandates Act to require implementation without reimbursement. Effective immediately.

LRB102 10824 RPS 16154 b

FISCAL NOTE ACT
MAY APPLY

PENSION IMPACT
NOTE ACT MAY
APPLY

STATE MANDATES
ACT MAY REQUIRE
REIMBURSEMENT

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 6-124, 6-124.1, and 6-158 as follows:

6 (40 ILCS 5/6-124) (from Ch. 108 1/2, par. 6-124)

7 Sec. 6-124. Future entrants; amount ~~entrants age 63 in~~
8 ~~service amount~~ of annuity. When a future entrant attains age
9 63 in service, except for a fireman who is not subject to the
10 compulsory retirement age, his age and service annuity shall
11 be fixed as of age 63. The annuity shall be that provided from
12 the entire sum accumulated to his credit for age and service
13 annuity on the date he attains age 63.

14 When a future entrant who is not subject to the compulsory
15 retirement age withdraws from service and is at least age 63,
16 his or her age and service annuity shall be fixed as of the age
17 he or she withdraws from service. The annuity shall be that
18 provided from the entire sum accumulated to his or her credit
19 for age and service annuity on the date he or she withdraws
20 from service.

21 (Source: P.A. 76-1668.)

22 (40 ILCS 5/6-124.1)

1 Sec. 6-124.1. Withdrawal from service; amount at
2 ~~compulsory retirement age~~ amount of annuity.

3 (a) In lieu of any annuity provided in the other
4 provisions of this Article, a fireman who (1) is required to
5 withdraw from service due to attainment of compulsory
6 retirement age, or is not subject to compulsory retirement
7 age, withdraws from service, and is at least age 63, and (2)
8 has at least 10 but less than 20 years of service credit may
9 elect to receive an annuity equal to 30% of average salary for
10 the first 10 years of service plus 2% of average salary for
11 each completed year of service or remaining fraction thereof
12 in excess of 10, but not to exceed a maximum of 50% of average
13 salary.

14 (b) For the purpose of this Section, "average salary"
15 means the average of the fireman's highest 4 consecutive years
16 of salary within the last 10 years of service.

17 (c) For the purpose of qualifying for the annual increases
18 provided in Section 6-164, a fireman whose retirement annuity
19 is calculated under this Section shall be deemed to qualify
20 for a minimum annuity.

21 (Source: P.A. 93-654, eff. 1-16-04.)

22 (40 ILCS 5/6-158) (from Ch. 108 1/2, par. 6-158)

23 Sec. 6-158. Refund ~~Refund~~ ~~General~~.

24 (a) A fireman who withdraws ~~before age 50 and a fireman~~
25 with less than 10 years of service ~~who withdraws before age 57,~~

1 or any fireman who withdraws and enters the service of another
2 department of the city, has a right to a refund of the entire
3 amount to his credit as of the date of withdrawal for age and
4 service annuity or Tier 2 monthly retirement annuity, for
5 automatic annual increase in annuity as provided in Section
6 6-164, and for widow's annuity or Tier 2 surviving spouse's
7 annuity, from deductions from salary.

8 (b) Any such fireman shall be entitled to refund until he
9 re-enters service or until his annuity is fixed.

10 (c) A fireman who receives a refund forfeits all rights to
11 any annuity or benefit from the fund, for himself and for any
12 other person who might benefit through him because of his
13 service, provided he shall retain the right to credit for any
14 such service, for the purpose of computing his total service
15 if he re-enters service before age 57, becomes a beneficiary
16 of the fund and makes repayment of the refund with interest.

17 (d) A fireman completing 10 years of service who does not
18 receive a refund, may receive an annuity as provided in this
19 Article.

20 (e) A fireman completing less than 10 years who does not
21 receive a refund has a right to have all amounts to his credit
22 for annuity purposes on the date of withdrawal improved by
23 interest while he is out of service until age 57 only, for his
24 benefit and the benefit of any person who may have any right to
25 annuity through him, if he subsequently reenters service and
26 attains a right to annuity.

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

2 Section 90. The State Mandates Act is amended by adding
3 Section 8.45 as follows:

4 (30 ILCS 805/8.45 new)

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

9 Section 99. Effective date. This Act takes effect upon
10 becoming law.