

102ND GENERAL ASSEMBLY State of Illinois 2021 and 2022 SB2958

Introduced 12/15/2021, by Sen. Robert F. Martwick

SYNOPSIS AS INTRODUCED:

40 ILCS 5/11-215

from Ch. 108 1/2, par. 11-215

Amends the Chicago Laborers Article of the Illinois Pension Code. In provisions concerning contributions for leaves of absence during which a participant is employed by a local labor organization, provides that for levy year 2017 and until the effective date of the amendatory Act, the participant, or the labor organization on the participant's behalf, shall make employer contributions equal to the contributions the participant would have made if the participant was an active employee. Provides that beginning after the effective date of the amendatory Act, the participant, or the labor organization on the participant's behalf, shall make employer contributions equal to the difference between the amount contributed by the participant as though the participant was an active employee and the normal cost, which shall be calculated by the Fund's actuary on an aggregate basis specific to the participant's Tier based on the Fund's most recent actuarial valuation and shall be effective on each July 1 after the Board certifies the amount of the contribution to the participant. Effective immediately.

LRB102 19593 RPS 28361 b

FISCAL NOTE ACT
MAY APPLY

PENSION IMPACT NOTE ACT MAY APPLY

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1 AN ACT concerning public employee benefits.

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

- Section 5. The Illinois Pension Code is amended by changing Section 11-215 as follows:
- 6 (40 ILCS 5/11-215) (from Ch. 108 1/2, par. 11-215)
- 7 Sec. 11-215. Computation of service.
- 8 (a) In computing the term of service of an employee prior 9 to the effective date, the entire period beginning on the date he was first appointed and ending on the day before the 10 effective date, except any intervening period during which he 11 was separated by withdrawal from service, shall be counted for 12 all purposes of this Article. Only the first year of each 13 14 period of lay-off or leave of absence without pay, continuing or extending for a period in excess of one year, shall be 15 16 counted as such service.
 - (b) For a person employed by an employer for whom this Article was in effect prior to August 1, 1949, from whose salary deductions are first made under this Article after July 31, 1949, any period of service rendered prior to the effective date, unless he was in service on the day before the effective date, shall not be counted as service.
- 23 (c) In computing the term of service of an employee

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- subsequent to the day before the effective date, the following periods of time shall be counted as periods of service for annuity purposes:
 - (1) the time during which he performed the duties of his position;
 - (2) leaves of absence with whole or part pay, and leaves of absence without pay not longer than 90 days;
 - (3) leaves of absence without pay that begin before the effective date of this amendatory Act of the 97th General Assembly and during which a participant is employed full-time by a local labor organization that represents municipal employees, provided that:
 - (A) the participant continues to make employee contributions to the Fund as though he were an active employee, based on the regular salary rate received by the participant for his municipal employment immediately prior to such leave of absence (and in the case of such employment prior to December 9, 1987, pays to the Fund an amount equal to the employee contributions for such employment plus interest thereon as calculated by the board), and his current salary with such labor based on organization after the effective date of this amendatory Act of 1991; -
 - (B) after January 1, 1989 the participant, or the labor organization on the participant's behalf, makes

contributions to the Fund as though it were the employer, as follows:

(i) after January 1, 1989 and prior to levy year 2017, in the same amount and same manner as specified under this Article, based on the regular salary rate received by the participant for his municipal employment immediately prior to such leave of absence, and based on his current salary with such labor organization after the effective date of this amendatory Act of 1991;

(ii) beginning in levy year 2017 and until the effective date of this amendatory Act of the 102nd General Assembly, in an amount equal to the contribution by the participant under subparagraph (A) of this paragraph; and

(iii) on and after the effective date of this amendatory Act of the 102nd General Assembly, in an amount equal to the difference between the contribution by the participant under subparagraph (A) of this paragraph and the normal cost, which shall be calculated by the Fund's actuary on an aggregate basis specific to the participant's Tier based on the Fund's most recent actuarial valuation and shall be effective on each July 1 after the Board certifies the amount of the contribution to the participant; τ and

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- (C) the participant does not receive credit in any 1 2 labor pension plan established by the local 3 organization based on his employment by the organization; 4
 - (4) any period of disability for which he received (i) a disability benefit under this Article, or (ii) a temporary total disability benefit under the Workers' Compensation Act if the disability results from a condition commonly termed heart attack or stroke or any other condition falling within the broad field of coronary involvement or heart disease, or (iii) whole or part pay.
 - (d) For a person employed by an employer, or the retirement board, in which "The 1935 Act" was in effect prior to August 1, 1949, from whose salary deductions are first made under "The 1935 Act" or this Article after July 31, 1949, any period of service rendered subsequent to the effective date and prior to August 1, 1949, shall not be counted as a period of service under this Article, except such period for which he made payment, as provided in Section 11-221 of this Article, in which case such period shall be counted as a period of service for all annuity purposes hereunder.
 - (e) In computing the term of service of an employee subsequent to the day before the effective date for ordinary disability benefit purposes, the following periods of time shall be counted as periods of service:
 - (1) any period during which he performed the duties of

1 his position;

- (2) leaves of absence with whole or part pay;
- (3) any period of disability for which he received (i) a duty disability benefit under this Article, or (ii) a temporary total disability benefit under the Workers' Compensation Act if the disability results from a condition commonly termed heart attack or stroke or any other condition falling within the broad field of coronary involvement or heart disease, or (iii) whole or part pay.

However, any period of service rendered by an employee contributor prior to the date he became a contributor to the fund shall not be counted as a period of service for ordinary disability purposes, unless the person made payment for the period as provided in Section 11-221 of this Article, in which case the period shall be counted as a period of service for ordinary disability purposes for periods of disability on or after the effective date of this amendatory Act of 1997.

Overtime or extra service shall not be included in computing any term of service. Not more than 1 year of service shall be allowed for service rendered during any calendar year.

For the purposes of this Section, the phrase "any pension plan established by the local labor organization" means any pension plan in which a participant may receive credit as a result of his or her membership in the local labor organization, including, but not limited to, the local labor

- 1 organization itself and its affiliates at the local,
- 2 intrastate, State, multi-state, national, or international
- 3 level. The definition of this phrase is a declaration of
- 4 existing law and shall not be construed as a new enactment.
- 5 (Source: P.A. 97-651, eff. 1-5-12.)
- 6 Section 99. Effective date. This Act takes effect upon
- 7 becoming law.