

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 changing
5 Section 5-174 as follows:

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

7 Sec. 5-174. Contributions in case of certain employments in
8 police department.

9 (a) Whenever a policeman is assigned to a position in the
10 police department other than the position he holds by
11 certification and appointment as a result of competitive civil
12 service examination, there shall be deducted from his salary
13 the amount which would have been deducted had he continued in
14 his civil service position. If such deductions are not made,
15 the policeman may pay such amount direct to the fund and shall
16 be credited with the corresponding city contributions, to the
17 end that he may retain all rights he otherwise would have had
18 were his employment continuous in his civil service position;
19 provided, that any such amount not so deducted from his salary
20 nor paid by him shall be deducted from the earliest possible
21 and practicable payment of salary due and payable to him, or
22 from any annuity, benefit or refund payable to him or on his
23 account. The policeman shall receive credit for such employment
24 as service for all purposes of this Article.

25 (b) From and after January 1, 1970, in lieu of the
26 provisions of the preceding paragraph (a) of this Section, any
27 policeman serving in a non-civil service position in the police
28 department shall have salary deductions made for age and
29 service annuity and widow's annuity on salary as defined in
30 Section 5-114 (e).

31 Any active policeman serving in a non-civil service
32 position on the effective date of this amendatory Act may

1 elect, prior to January 1, 1970, to contribute directly to the
2 fund for age and service and widow's annuity on salary received
3 in excess of that provided for in his civil service rank for
4 police service rendered in a non-civil service position prior
5 to the operative date of his election. Such election shall be
6 exercised prior to January 1, 1974, by a policeman in service
7 on such effective date or within 6 months prior to such date.
8 Any policeman in service not serving in a non-civil service
9 position on the effective date of this amendatory Act who is
10 subsequently assigned and serving in a non-civil service
11 position may make like election within 6 months after such
12 assignment. Contributions for such past service shall include
13 interest at the applicable rate to the end that the
14 contributions shall equal the amount that would have been
15 credited to the policeman had deductions been made from such
16 excess salary for such service. For such contributions the
17 policeman shall be credited with the corresponding city
18 contributions with interest for all annuity purposes at the
19 rates in effect at the time the service was rendered.

20 Contributions for past service, if elected, shall be made
21 for the entire period of service and for the total amount of
22 the excess salary and no credit shall be granted or payment
23 permitted for any part of such service or excess salary.
24 Payment of contributions on such past service shall be
25 completed within 3 years of the date of election and in any
26 event before death or retirement. If not paid in full within
27 such period, or before death, no credit shall be granted
28 thereon, and the sums so paid, with interest at the rate of 1
29 1/2% per year, compounded annually, shall be refunded to the
30 policeman, or his surviving widow or children, or if there are
31 no such survivors, then in accordance with Section 5-167,
32 provided, however, that if the repayment has not been made in
33 full before death, his widow shall have the option of
34 completing such payment within 60 days from the date of his
35 death.

36 A policeman assigned to a non-civil service position within

1 3 years of the date of his reaching compulsory retirement age
2 or within 3 years of retirement at his own option, whichever is
3 earlier, shall not qualify for the benefits authorized herein.
4 The limitation contained in this paragraph shall not apply to a
5 policeman assigned to a non-civil service position whose
6 retirement from active service is caused by duty disability.
7 Beginning January 1, 2000, the limitation contained in this
8 paragraph shall not apply to a policeman assigned to a
9 non-civil service position with the title of Captain. A
10 policeman who has made contributions as provided by this
11 Section ~~section~~ but who fails to qualify for the benefits due
12 to the limitation of this paragraph is entitled to refund of
13 said contributions, upon application therefor, according to
14 the provisions of Section 5-163 (f).

15 In no event shall the provisions of this or any other
16 Section ~~section~~ of this Article, allowing payment for or
17 granting credit on salary received in excess of that provided
18 for his civil service rank or position be applicable in the
19 case of any former policeman who is receiving annuity from this
20 fund who subsequently re-enters service as a policeman.

21 (Source: P.A. 81-1536.)

22 Section 90. The State Mandates Act is amended by adding
23 Section 8.29 as follows:

24 (30 ILCS 805/8.29 new)

25 Sec. 8.29. Exempt mandate. Notwithstanding Sections 6 and 8
26 of this Act, no reimbursement by the State is required for the
27 implementation of any mandate created by this amendatory Act of
28 the 94th General Assembly.

29 Section 99. Effective date. This Act takes effect upon
30 becoming law.