

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 Sections 3-103, 3-125, and 3-145 as follows:

6 (40 ILCS 5/3-103) (from Ch. 108 1/2, par. 3-103)

7 Sec. 3-103. Municipality. "Municipality": (1) Any city,  
8 village or incorporated town of 5,000 or more but less than  
9 500,000 inhabitants, as determined from the United States  
10 Government statistics or a census taken at any time by the  
11 city, village or incorporated town, ~~and~~ (2) any city, village  
12 or incorporated town of less than 5,000 inhabitants which, by  
13 referendum held under subsection (a) of Section 3-145 adopts  
14 this Article, and (3) any city, village, or incorporated town  
15 of less than 5,000 inhabitants that is located within a county  
16 that is subject to the limitations of the Property Tax  
17 Extension Limitation Law and that, in accordance with  
18 subsection (b) of Section 3-145, adopts this Article by  
19 resolution or ordinance.

20 (Source: P.A. 83-1440.)

21 (40 ILCS 5/3-125) (from Ch. 108 1/2, par. 3-125)

22 Sec. 3-125. Financing. Except as otherwise provided in  
23 subsection (b) of Section 3-145, the ~~The~~ city council or the  
24 board of trustees of the municipality shall annually levy a tax  
25 upon all the taxable property of the municipality at the rate  
26 on the dollar which will produce an amount which, when added to  
27 the deductions from the salaries or wages of police officers,  
28 and revenues available from other sources, will equal a sum  
29 sufficient to meet the annual requirements of the police  
30 pension fund. The annual requirements to be provided by such  
31 tax levy are equal to (1) the normal cost of the pension fund

1 for the year involved, plus (2) the amount necessary to  
2 amortize the fund's unfunded accrued liabilities as provided in  
3 Section 3-127. The tax shall be levied and collected in the  
4 same manner as the general taxes of the municipality, and in  
5 addition to all other taxes now or hereafter authorized to be  
6 levied upon all property within the municipality, and shall be  
7 in addition to the amount authorized to be levied for general  
8 purposes as provided by Section 8-3-1 of the Illinois Municipal  
9 Code, approved May 29, 1961, as amended.

10 The police pension fund shall consist of the following  
11 moneys which shall be set apart by the treasurer of the  
12 municipality:

13 (1) All moneys derived from the taxes levied hereunder;

14 (2) Contributions by police officers under Section  
15 3-125.1;

16 (3) All moneys accumulated by the municipality under any  
17 previous legislation establishing a fund for the benefit of  
18 disabled or retired police officers;

19 (4) Donations, gifts or other transfers authorized by this  
20 Article.

21 (Source: P.A. 83-1440.)

22 (40 ILCS 5/3-145) (from Ch. 108 1/2, par. 3-145)

23 Sec. 3-145. Election to participate ~~Referendum~~ in  
24 municipalities less than 5,000.

25 (a) Except as provided in subsection (b), this ~~This~~ Article  
26 shall not be effective in any municipality having a population  
27 of less than 5,000 unless the proposition to adopt the Article  
28 is submitted to and approved by the voters of the municipality  
29 in the manner herein provided.

30 Whenever the electors of the municipality, equal in number  
31 to 5% of the number of legal votes cast at the last preceding  
32 general municipal election, petition the city, village or town  
33 clerk to submit the proposition whether that municipality shall  
34 adopt this Article, the officer to whom the petition is  
35 addressed shall certify the proposition to the proper election

1 officials who shall submit the proposition in accordance with  
 2 the general election law at a regular election in the  
 3 municipality provided that notice of the referendum, if held  
 4 before July 1, 1999, has been given in accordance with the  
 5 provisions of Section 12-5 of the Election Code in effect at  
 6 the time of the bond referendum, at least 10 and not more than  
 7 45 days before the date of the election, notwithstanding the  
 8 time for publication otherwise imposed by Section 12-5. Notices  
 9 required in connection with the submission of public questions  
 10 on or after July 1, 1999 shall be as set forth in Section 12-5  
 11 of the Election Code. If the proposition is not adopted at that  
 12 election, it may be submitted in like manner at any regular  
 13 election thereafter. The proposition shall be substantially in  
 14 the following form:

15 -----  
 16 Shall the city (or village or  
 17 incorporated town) of.... adopt YES  
 18 Article 3 of the "Illinois Pension -----  
 19 Code", pertaining to the creation NO  
 20 of a police pension fund?  
 21 -----

22 If a majority of the votes cast on the proposition is for the  
 23 proposition, this Article is adopted in that municipality.

24 (b) A city, village, or incorporated town of less than  
 25 5,000 inhabitants that is regulated by the Property Tax  
 26 Extension Limitation Law may elect to adopt the provisions of  
 27 this Article by the passage of a resolution or ordinance by the  
 28 governing board of that city, village, or incorporated town,  
 29 but that city, village, or incorporated town shall not levy a  
 30 separate tax under Section 3-125 without approval by referendum  
 31 under the provisions of the Property Tax Extension Limitation  
 32 Law or this Article.

33 (Source: P.A. 90-812, eff. 1-26-99; 91-57, eff. 6-30-99.)

34 Section 99. Effective date. This Act takes effect upon  
 35 becoming law.