



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

HB1701

Introduced 2/22/2007, by Rep. Robert S. Molaro

SYNOPSIS AS INTRODUCED:

40 ILCS 5/12-135.3	from Ch. 108 1/2, par. 12-135.3
40 ILCS 5/12-149	from Ch. 108 1/2, par. 12-149
30 ILCS 805/8.31 new	

Amends the Chicago Park District Article of the Illinois Pension Code. Provides that the surviving spouse's annuity for a surviving spouse of a person first employed under the Article on or after the effective date shall be subject to an annual increase at a rate of 3% of the original fixed annuity. (instead of 3% of the amount of annuity then payable). Provides that the board of park commissioners of any such park district shall levy a tax annually upon all taxable property in the district at a rate that will produce a sum that will be sufficient to bring the total assets of the Park Employees' and Retirement Board Employees' Annuity and Benefit Fund up to 90% of the total actuarial liabilities of the Fund by the end of fiscal year 2016 (instead of a sum that will be sufficient for the purposes of the Article, with a maximum provided). Amends the State Mandates Act to require implementation without reimbursement.

LRB095 10138 AMC 30352 b

FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT 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 changing
5 Sections 12-135.3 and 12-149 as follows:

6 (40 ILCS 5/12-135.3) (from Ch. 108 1/2, par. 12-135.3)

7 Sec. 12-135.3. Annual increases to surviving spouses. On
8 January 1 of each year, every surviving spouse, other than a
9 surviving spouse who is receiving a temporary annuity or who
10 has received a surviving spouse annuity for less than one full
11 year, shall be entitled to a 3% annual increase in his or her
12 surviving spouse's annuity. The 3% annual increase shall be
13 based on the amount of annuity then payable, including any
14 increases previously received under this Section.

15 Notwithstanding the provisions of this Section, the
16 surviving spouse's annuity for a surviving spouse of a person
17 first employed under this Article on or after the effective
18 date of this amendatory Act of the 95th General Assembly shall
19 be subject to an annual increase at a rate of 3% of the
20 original fixed annuity.

21 (Source: P.A. 87-1265.)

22 (40 ILCS 5/12-149) (from Ch. 108 1/2, par. 12-149)

1 Sec. 12-149. Financing. The board of park commissioners of
2 any such park district shall annually levy a tax (in addition
3 to the taxes now authorized by law) upon all taxable property
4 embraced in the district, at the rate which, when added to the
5 employee contributions under this Article and applied to the
6 fund created hereunder, shall be sufficient to bring the total
7 assets of the Fund up to 90% of the total actuarial liabilities
8 of the Fund by the end of fiscal year 2016. ~~to provide for the~~
9 ~~purposes of this Article in accordance with the provisions~~
10 ~~thereof. Such tax shall be levied and collected with and in~~
11 ~~like manner as the general taxes of such district, and shall~~
12 ~~not in any event be included within any limitations of rate for~~
13 ~~general park purposes as now or hereafter provided by law, but~~
14 ~~shall be excluded therefrom and be in addition thereto. The~~
15 ~~amount of such annual tax to and including the year 1977 shall~~
16 ~~not exceed .0275% of the value, as equalized or assessed by the~~
17 ~~Department of Revenue, of all taxable property embraced within~~
18 ~~the park district, provided that for the year 1978, and for~~
19 ~~each year thereafter, the amount of such annual tax shall be at~~
20 ~~a rate on the dollar of assessed valuation of all taxable~~
21 ~~property that will produce, when extended, for the year 1978~~
22 ~~the following sum: 0.825 times the amount of employee~~
23 ~~contributions during the fiscal year 1976; for the year 1979,~~
24 ~~0.85 times the amount of employee contributions during the~~
25 ~~fiscal year 1977; for the year 1980, 0.90 times the amount of~~
26 ~~employee contributions during the fiscal year 1978; for the~~

1 ~~year 1981, 0.95 times the amount of employee contributions~~
2 ~~during the fiscal year 1979; for the year 1982, 1.00 times the~~
3 ~~amount of employee contributions during the fiscal year 1980;~~
4 ~~for the year 1983, 1.05 times the amount of contributions made~~
5 ~~on behalf of employees during the fiscal year 1981; and for the~~
6 ~~year 1984 and each year thereafter, an amount equal to 1.10~~
7 ~~times the employee contributions during the fiscal year 2 years~~
8 ~~prior to the year for which the applicable tax is levied. As~~
9 used in this Section, the term "employee contributions" means
10 contributions by employees for retirement annuity, spouse's
11 annuity, automatic increase in retirement annuity, and death
12 benefit.

13 In respect to park district employees, other than
14 policemen, who are transferred to the employment of a city by
15 virtue of the "Exchange of Functions Act of 1957", the
16 corporate authorities of the city shall annually levy a tax
17 upon all taxable property embraced in the city, as equalized or
18 assessed by the Department of Revenue, at such rate per cent of
19 the value of such property as shall be sufficient, when added
20 to the amounts deducted from the salary or wages of such
21 employees, to provide the benefits to which such employees,
22 their dependents and beneficiaries are entitled under the
23 provisions of this Article. The park district shall not levy a
24 tax hereunder in respect to such employees. The tax levied by
25 the city under authority of this Article shall be in addition
26 to and exclusive of all other taxes authorized by law to be

1 levied by the city for corporate, annuity fund or other
2 purposes.

3 All moneys accruing from the levy and collection of taxes,
4 pursuant to this section, shall be remitted to the board by the
5 employers as soon as they are received. Where a city has levied
6 a tax pursuant to this Section in respect to park district
7 employees transferred to the employment of a city, the
8 treasurer of such city or other authorized officer shall remit
9 the moneys accruing from the levy and collection of such tax as
10 soon as they are received. Such remittances shall be made upon
11 a pro rata share basis, whereby each employer shall pay to the
12 board such employer's proportionate percentage of each payment
13 of taxes received by it, according to the ratio which its tax
14 levy for this fund bears to the total tax levy of such
15 employer.

16 Should any board of park commissioners included under the
17 provisions of this Article be without authority to levy the tax
18 provided in this Section the corporation authorities (meaning
19 the supervisor, clerk and assessor) of the town or towns for
20 which such board shall be the board of park commissioners shall
21 levy such tax.

22 Employer contributions to the Fund may be reduced by
23 \$5,000,000 for calendar years 2004 and 2005.

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

25 Section 90. The State Mandates Act is amended by adding

1 Section 8.31 as follows:

2 (30 ILCS 805/8.31 new)

3 Sec. 8.31. Exempt mandate. Notwithstanding Sections 6 and 8
4 of this Act, no reimbursement by the State is required for the
5 implementation of any mandate created by this amendatory Act of
6 the 95th General Assembly.